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Major Appliances and Electric Housewares

FAIRCHILD FACT FILE

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MAJOR APPLIANCES AND ELECTRIC HOUSEWARES

Market Trends

The increased rate of new housing starts, stabilizing interest rates and the return of consumer confidence in the economy in 1983 have all contributed to the healthy outlook for the major appliances and electric housewares industry.

With the replacement market traditionally accounting for about two-thirds of all major appliance purchases, the unwillingness of consumers to buy "big-ticket" items hurt the industry during the recession. Now, however, consumers are signaling their interest in credit buying once again. According to a Business Week/Louis Harris poll of 1,254 adults nationwide (BW, October 17, 1983), only 13% expect to curtail spending in the next 12 months--about half the number who did decrease spending in the year prior to the survey. Specifically, 47% expect to purchase a small electric appliance over the next 2 years and 32% say they will buy a major appliance. In addition, 13% expect to buy a new home in the next 24 months, up from the 8% who bought homes in the previous 2 year period. Because of this surge in pent-up consumer demand, some trade sources believe the replacement market may account for about 70% of total sales in the mid-1980's.

Sales to home builders represent approximately a quarter of major appliance sales. Housing start projections for 1983, based on actual January through August starts, are 75% higher than in 1982. Authorizations granted for future housing starts are also up 75%. Normally, it takes about 6 months to build a house. Therefore, the industry is looking forward to rising sales during the second half of 1983 as newly completed houses are sold. If the housing market stays on track, this will be another source for increased sales.

Besides the replacement and new housing markets, the relatively low saturation levels of some major appliances and electric housewares will be instrumental in the industry's revitalization. Microwave ovens are a prime example. Today they are found in only 25% of American homes. Dishwashers and trash compactors are other appliances with low saturation rates. Among electric housewares products, much excitement has been generated by the new line of space-saving appliances, designed to fit in out-of-the-way places and compact kitchens.

Prospects are good for continued growth in appliances and housewares for several years to come. During the next five years, according to the Bureau of Industrial Economics, shipments of household appliances are expected to rise at a real (adjusted for inflation) compound annual rate of 5.0%.

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

The U.S. Bureau of the Census conducts a complete census of U.S. manufacturers every five years. The most recent published data covers the year 1977. Between censuses, the Bureau compiles annual surveys among a representative sample of manufacturers which are the basis for estimates on key measures of manufacturing activity for industry groups, thus providing a continuous series of basic industry statistics which are reported in the following table.

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

In addition to the annual Census Bureau surveys, the Bureau of Industrial Economics, Department of Commerce, reports on manufacturing activity in the annual Industrial Outlook and issues industry projections.

Industry shipments of major appliances and electric housewares were valued at \$13.1 billion in 1981, but slipped 4.8% in 1982 to reach a total of \$12.5 billion. Projections for the year 1983 by the Bureau of Industrial Economics look for a 14% increase with the total reaching about \$14.8 billion.

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1977</u>
<u>Household Appliances (SIC 363*)</u> (Includes Electric Housewares)				
Number of companies	na	na	na	528
Number of establishments, total**	na	586	597	666
Number with 20 or more employees	347	350	353	342
Employees, total (thous.)	148.3	155.2	161.3	162.3
Production workers (thous.)	116.3	121.4	126.9	128.7
Payroll (mil. \$)	\$ 2,343.7	\$ 2,357.5	\$ 2,181.0	\$ 1,898.1
Value added by manufacture# (mil. \$)	5,925.5	5,985.1	5,960.8	5,276.2
Value of industry shipments## (mil. \$)	13,108.1	12,936.0	12,740.8	10,736.5
Capital expenditures, new (mil. \$)	304.6	280.7	236.0	207.0

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1977</u>
<u>Household Refrigerators, Freezers</u> (SIC 3632*)				
Number of companies	na	na	na	33
Number of establishments, total**	na	38	36	42
Number with 20 or more employees	na	27	27	25
Employees, total (thous.)	27.1	27.2	28.9	35.8
Production workers (thous.)	22.9	23.0	24.6	29.8
Payroll (mil. \$)	\$ 469.7	\$ 422.1	\$ 424.6	\$ 468.6
Value added by manufacture# (mil. \$)	1,059.9	1,034.4	1,130.6	1,166.1
Value of industry shipments## (mil. \$)	2,702.9	2,460.2	2,683.8	2,576.6
Capital expenditures, new (mil. \$)	55.8	55.4	38.6	46.9

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1977</u>
<u>Household Cooking Equipment (SIC 3631*)</u>				
Number of companies	na	na	na	84
Number of establishments, total**	na	75	83	96
Number with 20 or more employees	na	58	62	58
Employees, total (thous.)	27.3	28.1	29.1	25.4
Production workers (thous.)	20.9	21.1	21.6	19.1
Payroll (mil. \$)	\$ 417.3	\$ 398.9	\$ 384.1	\$ 289.1
Value added by manufacture# (mil. \$)	1,041.8	968.0	991.1	784.1
Value of industry shipments## (mil. \$)	2,525.9	2,465.5	2,353.4	1,707.2
Capital expenditures, new (mil. \$)	57.7	49.8	41.5	36.1

(continued)

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1977</u>
<u>Household Laundry Equipment (SIC 3633*)</u>				
Number of companies	na	na	na	21
Number of establishments, total**	na	29	30	31
Number with 20 or more employees	na	26	26	24
Employees, total (thous.)	18.9	19.2	20.1	19.4
Production workers (thous.)	15.6	15.7	16.7	15.9
Payroll (mil. \$)	\$ 360.2	\$ 331.6	\$ 323.0	\$ 262.4
Value added by manufacture# (mil. \$)	1,021.3	989.5	1,066.5	844.7
Value of industry shipments## (mil. \$)	2,259.0	2,142.2	2,214.7	1,792.8
Capital expenditures, new (mil. \$)	43.5	45.6	32.0	27.3

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1977</u>
<u>Household Vacuum Cleaners (SIC 3635*)</u>				
Number of companies	na	na	na	32
Number of establishments, total**	na	32	34	35
Number with 20 or more employees	na	21	24	22
Employees, total (thous.)	9.5	10.3	11.2	10.4
Production workers (thous.)	6.3	7.0	7.7	7.4
Payroll (mil. \$)	\$ 153.5	\$ 149.1	\$ 147.8	\$ 117.1
Value added by manufacture# (mil. \$)	427.3	413.0	459.2	380.4
Value of industry shipments## (mil. \$)	769.8	753.9	796.1	644.3
Capital expenditures, new (mil. \$)	26.5	20.9	19.1	16.4

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1977</u>
<u>Sewing Machines (SIC 3636*)</u>				
Number of companies	na	na	na	86
Number of establishments, total**	na	87	88	91
Number with 20 or more employees	na	27	24	25
Employees, total (thous.)	6.0	7.5	8.0	8.2
Production workers (thous.)	3.9	5.1	5.6	6.1
Payroll (mil. \$)	\$ 108.9	\$ 118.2	\$ 120.3	\$ 107.3
Value added by manufacture# (mil. \$)	166.9	267.3	251.1	209.5
Value of industry shipments## (mil. \$)	309.7	403.3	399.0	305.9
Capital expenditures, new (mil. \$)	13.0	15.4	14.5	8.1

(continued)

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1977</u>
<u>Household Appliances, n.e.c.</u> <u>(SIC 3639*)</u>				
Number of companies	na	na	na	65
Number of establishments, total **	na	69	68	80
Number with 20 or more employees	na	50	50	40
Employees, total (thous.)	15.4	15.7	17.3	15.7
Production workers (thous.)	12.4	12.6	14.0	12.8
Payroll (mil. \$)	\$ 265.8	\$ 243.2	\$ 249.9	\$ 195.3
Value added by manufacture# (mil. \$)	692.8	622.9	644.9	527.9
Value of industry shipments## (mil. \$)	1,462.4	1,411.1	1,424.9	1,184.0
Capital expenditures, new (mil. \$)	33.9	23.6	28.2	24.6

na = not available

n.e.c. = not elsewhere classified

*Manufacturers are classified by industry under the Standard Industrial Classification (SIC) system determined by the principal product made, as shown below:

SIC 363 is the composite identifier for the appliance/electric housewares industry. Included in this category is the electric housewares industry (SIC 3634) which is separately covered in this Fact File in the section on electric housewares and personal care appliances.

SIC 3631 comprises establishments primarily engaged in manufacturing household cooking equipment, such as stoves, ranges and ovens, including both electric and non-electric types. Also included in this category are barbeque grills and microwave ovens.

SIC 3632 includes establishments primarily engaged in producing household refrigerators and home and farm freezers.

SIC 3633 includes establishments primarily engaged in manufacturing laundry equipment such as washing machines, wringers, dryers, and ironers for household use. This industry also includes producers of coin-operated washers and driers.

SIC 3635 includes establishments primarily engaged in producing vacuum cleaners for household use.

SIC 3636 includes establishments primarily engaged in manufacturing sewing machines for domestic and industrial use.

SIC 3639 includes establishments primarily engaged in manufacturing household appliances, not elsewhere classified, such as water heaters, dishwashers and food waste disposal units. This industry also includes producers of dishwashing machines, floor waxes and polishers.

**Each business location is counted as a separate establishment. Data for 1979 -- 1981 include only establishments with payrolls, as reported in County Business Patterns.

(footnotes continued)

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

#Value added by manufacture is derived by subtracting the total cost of materials (including materials, supplies, fuel, electric energy, cost of resales and miscellaneous receipts) from the value of shipments (including resales) and other receipts, and adjusting the resulting amount by the net change in finished products and work-in-process inventories between the beginning and end of the year.

##Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. It includes receipts for contract work, all items made by or for each establishment from materials owned by it, and also miscellaneous receipts. It also includes both primary and secondary products made in these industries. The value of shipments of appliances, only, by all producers, including manufacturers making them as secondary products, is covered on pages 11-13.

Source: U.S. Bureau of the Census, Census of Manufactures, 1977; Annual Survey of Manufactures, 1979, 1980, 1981.

The Bureau of Industrial Economics, U.S. Department of Commerce, measures trends in industry in both current and constant dollars, to remove the effects of inflation. On a constant dollar basis, the value of industry shipments in major appliances/electric housewares in 1982 were off over 10% compared with 1981 and, in real terms, 20% below the peak year in 1979. Because of a better-than-expected economic recovery in 1983, and a gain in new housing starts, the Bureau revised its projections on industry shipments for the year at midyear, and anticipated a gain of 18.6% on a current dollar basis, about 14% on a constant dollar basis in the value of industry shipments compared with 1982. (The original projection looked for a constant dollar gain of only 6.8%.)

Data on individual product components within the appliance industry for 1982, and projected for 1983, have not yet been revised. Data below are from the 1983 Industrial Outlook issued in January 1983 and indicators for most products this year are better than expected at that time.

Estimated Value of Industry Shipments, 1982 (Current Dollars) & Growth Rates in Constant (1972) Dollars

Industry	Mils. of Current \$ 1982 (p)	Constant (1972) \$	
		% Change 1983/1982(p)	Compound Annual Growth Rate, 1972-1982
Household cooking equipment (SIC 3631)	\$ 2,266	+ 8.9%	+ 2.7%
Household refrigerators, freezers (SIC 3632)	2,507	+ 6.0	- 2.9
Household laundry equipment (SIC 3633)	2,088	+ 6.2	- 2.2
Household vacuum cleaners (SIC 3635)	763	+ 5.0	+ 0.6
Sewing machines (SIC 3636)	425	+ 4.6	+ 0.8
Household appliances, n.e.c. (SIC 3639)	1,449	+ 6.5	+ 1.4

(p) preliminary

Source: U.S. Bureau of Industrial Economics,
1983 U.S. Industrial Outlook (January 1983)

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

Employment & Earnings

Bureau of Labor statistics data for the first eight months of 1983 show total employment in the major appliance industry up less than 1% compared with the same 1982 period; however, production worker employment gained 1.8%

Employment in the household laundry equipment segment gained a strong 16.2% in the first eight months this year, while in the household refrigerators/freezers segment employment averaged about 11% below the same period of 1982.

Employment & Earnings in the Major Appliance & Electric Housewares Industry

	January-August Average			Annual Averages		% Change 1982/1981
	1983(p)	1982	% Change 1982/1981	1982	1981	
Household Appliances (SIC 363) (Includes Electric Housewares)						
All employees (thous.)	143.7	143.0	+ 0.5%	141.3	161.0	- 12.2%
Production workers (thous.)	111.6	109.6	+ 1.8	108.3	127.2	- 14.9
Avg. weekly earnings	\$331.89	\$298.82	+ 11.1	\$305.56	\$294.10	+ 3.9
Avg. hourly earnings	8.49	7.95	+ 6.8	8.02	7.58	+ 5.8
Avg. weekly hours	39.1	37.6	+ 4.0	38.1	38.8	- 1.8
Household refrigerators & freezers (SIC 3632)						
All employees (thous.)	24.5	27.5	- 10.9	26.1	32.7	- 20.2
Production workers (thous.)	19.4	21.8	- 11.0	20.5	26.6	- 22.9
Avg. weekly earnings	\$381.03	\$355.49	+ 7.2	\$360.68	\$348.48	+ 3.5
Avg. hourly earnings	9.58	9.23	+ 3.8	9.32	8.80	+ 5.9
Avg. weekly hours	39.8	38.5	+ 3.4	38.7	39.6	- 2.3
Household laundry equipment (SIC 3633)						
All employees (thous.)	23.0	19.8	+ 16.2	19.4	21.4	- 9.3
Production workers (thous.)	17.8	14.9	+ 19.5	14.4	16.7	- 13.8
Avg. weekly earnings	\$397.47	\$352.20	+ 12.8	\$360.68	\$348.48	+ 3.5
Avg. hourly earnings	10.05	9.47	+ 6.1	9.32	8.80	+ 5.9
Avg. weekly hours	39.5	37.2	+ 6.2	38.7	39.6	- 2.3

(p) = preliminary.

NOTE: BLS data on employment totals differs from Census Bureau data due to a difference in methodology in computing the figures. Separate employment and earnings statistics for the electric housewares industry only is covered in the electric housewares section of this Fact File.

Source: U.S. Bureau of Labor Statistics,
Employment & Earnings.

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

Concentration in the Industry

The Household Appliance Industry (SIC 363)
By Employment Size, 1981

(Includes only establishments with payrolls)

	Household Appliances (SIC 363)		Household Cooking Equipment (SIC 3631)		Household Refrigerators & Freezers (SIC 3632)		Household Laundry Equipment (SIC 3633)	
	% of		% of		% of		% of	
	Number	Total	Number	Total	Number	Total	Number	Total
Total plants	604	100.0%	77	100.0%	40	100.0%	29	100.0%
Number by employment size:								
Under 20 employees	257	42.5	20	26.0	11	27.5	4	13.8
20-99 employees	131	21.7	17	22.1	11	27.5	8	27.6
100-499 employees	130	21.5	25	32.5	5	12.5	7	24.1
500 or more employees	86	14.2	15	19.5	13	32.5	10	34.5

	Household Vacuum Cleaners (SIC 3635)		Sewing Machines (SIC 3636)		Household Appliances, n.e.c. (SIC 3639)	
	% of		% of		% of	
	Number	Total	Number	Total	Number	Total
Total plants	29	100.0%	93	100.0%	76	100.0%
Number by employment size:						
Under 20 employees	9	31.0	66	71.0	25	32.9
20-99 employees	11	37.9	17	18.3	19	25.0
100-499 employees	6	20.7	6	6.4	18	23.7
500 or more employees	3	10.3	4	4.3	14	18.4

n.e.c. = not elsewhere classified.

Source: U.S. Bureau of the Census,
County Business Patterns 1981

GENERAL INDUSTRY STATISTICS: MAJOR APPLIANCES & ELECTRIC HOUSEWARES

Location of the Industry

States Leading in Major Appliance/Electric Housewares Industry Shipments, 1978

	Employment (Thous.)	Millions of \$	
		Value Added by Mfr.	Value of Shipments
U.S. Industry, total	168.0	\$ 5,472.2	\$ 11,487.5
Arkansas	4.6	153.2	341.3
California	5.3	148.1	311.6
Connecticut	3.5	137.1	215.9
Illinois	20.7	533.0	1,149.6
Indiana	12.4	398.7	945.6
Kentucky	3.4	132.4	298.5
Michigan	6.2	191.7	457.5
Minnesota	4.5	129.0	327.1
Missouri	4.5	95.0	204.8
New Jersey	5.2	100.8	174.0
New York	3.4	116.5	196.2
North Carolina	6.0	179.9	334.9
Ohio	27.3	1,077.8	2,239.9
Pennsylvania	4.1	122.2	256.5
South Carolina	3.9	95.3	219.0
Tennessee	12.2	332.8	765.2
Wisconsin	8.5	247.4	517.2

Source: U.S. Bureau of the Census,
1978 Annual Survey of Manufactures (M78-AS-6)

MAJOR APPLIANCE SHIPMENTS

According to the Association of Home Appliance Manufacturers and the Gas Appliance Manufacturers Association, unit shipments of major appliances in the first nine months of 1983 jumped 16.7% over the year-ago level. This was well ahead of the 6.4% increase for 1983 projected by the AHAM in late 1982.

Shipments of built-in dishwashers led the increase with a 44.5% gain, a result of increased home construction activity. Microwave oven and range shipments were also strong in the January to September period, rising 43.1% over the same 1982 period.

Unit Shipments of Major Home Appliances, January - September 1982, 1983 (Thousands of Units)

	January - September		% Change 1983/1982
	1983	1982	
Total shipments*	29,945.9	25,664.7	+ 16.7%
Room air conditioners	1,818.9	2,571.9	- 29.3
Dehumidifiers	427.7	429.3	- 0.4

(continued)

MAJOR APPLIANCE SHIPMENTS

Unit Shipments of Major Home Appliances, January - September 1982, 1983 (Thousands of Units) (continued)

	January - September		% Change
	1983	1982	1983/1982
Dishwashers	2,235.6	1,567.4	+ 42.6%
Built-in	2,050.5	1,418.8	+ 44.5
Portable	185.1	148.6	+ 24.6
Disposers	2,618.2	1,952.7	+ 34.1
Compactors	112.1	107.3	+ 4.5
Refrigerators	4,090.2	3,390.1	+ 20.7
Freezers	1,053.7	1,107.8	- 4.9
Upright	485.1	502.3	- 3.4
Chest	568.6	605.4	- 6.1
Electric ranges	2,021.4	1,463.5	+ 38.1
Free standing	1,610.1	1,161.1	+ 38.7
Built-in	411.3	302.4	+ 36.0
Gas ranges	1,150.9	1,014.4	+ 13.5
Free standing	1,020.1	901.4	+ 13.2
High oven	62.8	54.2	+ 15.9
Built-in	68.0	58.8	+ 15.6
Microwave ovens/ranges**	3,923.9	2,742.0	+ 43.1
Clothes washers	3,534.4	3,101.6	+ 14.0
Automatic	3,480.3	3,052.9	+ 14.0
Wringer & other	54.2	48.7	+ 11.3
Clothes dryers	2,408.4	2,022.5	+ 19.1
Electric	1,921.4	1,589.4	+ 20.9
Gas	486.9	433.1	+ 12.4
Water heaters	4,699.3	4,322.0	+ 8.7
Electric	2,329.6	2,033.8	+ 14.5
Gas	2,369.8	2,288.2	+ 3.6

* Individual categories will not add to the total because of overlapping product categories.

** Includes imported microwave ovens and combination microwave ovens/ranges.

Source: Association of Home Appliance Manufacturers
and the Association of Gas Appliance
Manufacturers (September 1983).

Trends

In the 1983 U.S. Industrial Outlook, the Bureau of Industrial Economics estimated the 1982 value of shipments of household appliances (including electric housewares) at \$12.2 billion, 3.2% less than the estimated 1981 value. Measured in constant 1972 dollars, which eliminates inflation's effects, 1983 shipments rose 6.9% ahead of the prior year. These figures are product shipments as opposed to industry shipments, and cover the value of specified products by all producers, regardless of industry classification, and not including other receipts.

MAJOR APPLIANCE SHIPMENTS

Trends

Estimated Shipment Value of Major Appliances by All U.S. Producers, In Current Dollars, 1981, 1982 & Constant Dollar 1983 Projections

	Current \$		Constant (1972) \$	
	1982(e)	1981(e)	% Change in Shipment Value 1983/1982	Compound Annual Growth Rate 1972-1982
<u>Products</u>				
Household appliances, total *	\$ 9,245	9,539.4	na	na
Household cooking equipment	2,140	2,407.5	+ 9.2%	+ 1.2%
Household refrigerators, freezers	2,244	2,400.4	+ 6.3	- 2.1
Household laundry equipment	1,750	1,866.0	+ 6.3	- 3.4
Vacuum cleaners	828	869.9	+ 5.2	+ 2.0
Sewing machines	334	346.4	+ 3.7	- 1.2
Household appliances, n.e.c.	1,949	1,649.2	+ 6.7	+ 0.9

na = not available

n.e.c. = not elsewhere classified. Includes dishwashers, water heaters, trash compactors, etc.

(e) = estimated. Data for 1982 are preliminary and an upward revision in projected 1983 data is expected.

* Does not include air conditioners.

Source: U.S. Bureau of Industrial Economics
1983 U.S. Industry Outlook.

In addition to the annual surveys of manufactures reports previously covered, the Bureau of the Census issues annual reports covering the quantity and value of shipments of major household appliances and electric housewares. Product data is much more detailed than available through the annual surveys of manufactures.

The detailed data is compiled by the Bureau through a mail survey among all known manufacturers--approximately 114 major appliance companies and 140 electric housewares companies in the U.S.--and issued in the Current Industrial Reports series.

CIR data on major appliance shipments for 1981 and 1982 are covered in the following table.

MAJOR APPLIANCE SHIPMENTS

Quantity & Value of Shipments by All Producers of Major Household Appliances, 1981, 1982

	Total Number of Companies	Quantity (Thous. Units)		Value (Mil. \$)		% Change 1982/1981
		1982	1981(r)	1982	1981(r)	
Electric ranges, ovens & surface cooking units, incl. parts	28	na	na	\$1,537.9	\$1,698.5	- 9.5%
Free-standing ranges:						
Under 23", incl. apt. house type 23" to 32"	9	103.3	128.4	17.5	20.1	- 12.9
Low oven, incl. slide-ins	13	1,306.2	1,397.7	343.5	347.8	- 1.2
High ovens	2	44.4	85.3	69.0	46.8	+ 47.4
High-low ovens	11					
33" & over	6	29.9	36.0	11.4	12.3	- 7.3
Built-in ovens						
Single oven	14	236.4	250.2	62.2	63.0	- 1.3
Two oven	11	45.4	66.1	25.5	29.5	- 13.6
Surface cooking tops	14	291.9	374.4	46.2	57.4	- 19.5
Drop-in ranges	9	192.0	249.8	60.6	72.6	- 16.5
Microwave ranges & ovens, excl. portables	10	149.3	209.6	121.4	151.7	- 20.0
Microwave ovens, portable	13	2,612.2	2,890.8	656.1	767.0	- 14.5
Electric ranges, n.e.c., incl. parts & accessories sold separately	na	na	na	na	na	--
Gas household ranges, ovens & surface cooking units, incl. parts	17	na	na	389.0	402.7	- 3.4
Standard type, free-standing:						
Over 32" cooking top & oven	10	100.4	125.3	32.7	37.2	- 12.1
Over 24" to 32" cooking top & oven	10	820.0	913.5	219.2	225.6	- 2.8
Apt. ranges, 24" cooking top & under	9	158.4	180.2	28.2	27.5	+ 2.5
Standard type, for built-in installation	10	111.0	116.4	28.6	32.1	- 10.5
Surface cooking tops	9	114.6	139.1	16.6	16.2	+ 2.5
Nonstandard types:						
Wall hung	3	2.5		0.8		
Slide-in or drop-in	8	146.9	141.7	31.5	29.4	+ 9.9
Hot plates	2					
Gas household ranges, ovens & surface cooking units, n.e.c.	5	22.6	33.3	10.8	17.0	- 36.5
Parts & accessories sold separately	13	na	na	20.6	17.7	+ 16.4

(continued)

MAJOR APPLIANCE SHIPMENTS

Quantity & Value of Shipments by All Producers of Major Household Appliances, 1981, 1982 (continued)

	Total Number of Companies	Quantity (Thous. Units)		Value (Mil. \$)		
		1982	1981(r)	1982	1981(r)	1982/1981
Other household ranges & cooking equipment (excl. gas & electric) & outdoor cooking equipment, incl. parts & accessories	37	na	na	\$ 365.4	\$ 340.5	+ 7.3%
Barbequers, grills, etc., for outdoor cooking						
Permanently installed units	na	168.7	168.5	8.1	9.0	- 10.0
Portable units						
Solid fuel (charcoal, etc.)	19	6,512.9	7,227.4	97.0	100.1	- 3.1
Gasoline, white gas, kerosene type	3	531.0	569.9	16.8	17.7	- 5.1
Other fuel (propane, etc.)	19	2,191.9	1,835.2	221.0	192.2	+ 15.0
Parts and accessories sold separately	na	na	na	22.5	21.5	+ 4.6
Household refrigerators, incl. refrigerator-freezer combinations	17	4,587.0	5,408.7	1,761.8	1,946.5	- 9.5
Complete units:						
9.4 cubic ft. & under	na	330.1	356.9	54.6	48.5	+ 12.6
9.5 to 12.4 cubic ft.	na	313.0	419.5	78.5	97.5	- 19.5
12.5 to 14.4 cubic ft.	na	822.0	1,131.2	237.6	307.4	- 22.7
14.5 to 17.4 cubic ft.	na	1,391.7	1,377.8	497.4	467.6	+ 6.4
17.5 to 19.4 cubic ft.	na	799.4	988.9	330.6	389.3	- 15.1
19.5 cubic ft. & larger	6	887.4	1,089.6	537.1	612.2	- 12.3
Range-refrigerator and/or sink combinations	5	43.4	44.8	26.0	24.0	+ 8.3
Food freezers, complete units, household type	9	1,277.5	1,660.9	308.8	379.0	- 18.5
10.4 cubic ft & under	na	385.0	489.6	78.0	85.0	- 8.2
10.5 to 17.4 cubic ft.	na	535.0	706.9	130.0	168.0	- 22.6
17.5 to 21.4 cubic ft.	na	254.8	325.7	70.7	86.5	- 18.3
21.5 cubic ft. & larger	na	102.7	138.7	30.1	39.5	- 23.8
Household mechanical washing machines, dryers & washer-dryer combinations	9	6,730.2	7,445.5	1,530.4	1,603.8	- 4.6
Washing machines, mechanical, incl. those with dishwasher attachments:						
Standard size, electrically driven, automatic & semiautomatic, excl. coin-operated	6	3,946.4	4,374.9	1,000.0	1,051.3	- 4.9
Nonautomatic, wringer type, spinner type & all other, incl. gas-driven & small size	na	68.7	106.0	16.7	23.9	- 30.1
Dryers, mechanical						
Gas	6	587.0	653.7	125.6	132.7	- 5.3
Electric	7	2,128.1	2,310.9	388.1	395.9	- 2.0

(continued)

MAJOR APPLIANCE SHIPMENTS

Quantity & Value of Shipments by All Producers of Major Household Appliances, 1981, 1982 (continued)

	Total Number of Companies	Quantity (Thous. Units)		Value (Mil. \$)		% Change 1982/1981
		1982	1981(r)	1982	1981(r)	
Household dishwashing machines, food waste disposers, floor waxing machines & trash compactors	23	na	na	\$ 674.4	\$ 776.4	- 13.1%
Dishwashing machines:						
Portable, incl. convertible type	7	283.4	418.3	66.4	87.8	- 24.4
Built-in type	7	1,866.1	2,215.2	398.0	454.6	- 12.4
Floorwaxing, polishing, scrubbing & shampooing machines (for household use only)	5	435.1	396.9	25.3	23.1	+ 9.5
Food waste disposers	8	2,664.6	3,061.3	114.1	126.3	- 9.7
Household trash compactors	7	148.1	194.4	31.5	39.1	- 19.4
Parts & accessories for other household type appliances, sold separately	10	na	na	39.1	45.5	- 14.1
Water heaters, electric	13	2,955.6	3,204.9	286.5	290.5	- 1.4
Storage type:						
44 gallons & under	na	1,715.3	2,069.7	150.6	152.7	- 1.4
45 to 54 gallons	9	856.5	792.4	88.1	85.9	+ 2.6
55 gallons & over, & all other types, incl. circulating & portable storage	na	383.8	342.8	47.8	51.9	- 7.9

na = not available

(r) = revised.

Source: U.S. Bureau of the Census,
Current Industrial Reports,
Major Household Appliances MA-36F(82)-1.

In addition to the specific appliances covered in the preceding table, the Census Bureau issues Current Industrial Reports on other types of appliances including air conditioners, dehumidifiers and certain types of heaters, as reported in the following tables.

MAJOR APPLIANCE SHIPMENTS

Air Conditioners/Dehumidifiers

Shipments of room air conditioners fell sharply in 1982 primarily because of the generally cool summer weather over much of the U.S. In value, shipments were down 18.1% to \$818.3 million, with units shipped off 22.6% compared with 1981.

Quantity & Value of Shipments of Room Air Conditioners & Dehumidifiers by All U.S. Producers, 1980, 1981

	Quantity (Thous. Units)			Value (Mil. \$)		
	1982	1981	% Change 1982/1981	1982	1981	% Change 1982/1981
Room air conditioners, total	2,880.8	3,722.5	- 22.6%	\$ 818.3	\$ 999.7	- 18.1%
5,999 btu/hr. & under	635.0	765.9	- 17.1	109.3	118.0	- 7.4
6,000-6,999 btu/hr.	115.2	164.7	- 30.0	25.5	33.3	- 23.4
7,000-7,999 btu/hr.	241.4	328.9	- 26.6	55.0	69.5	- 20.9
8,000-8,999 btu/hr.	136.4	168.8	- 19.2	34.3	40.6	- 15.6
9,000-9,999 btu/hr.	173.0	223.8	- 22.7	49.2	60.2	- 18.3
10,000-12,999 btu/hr.	502.6	606.3	- 17.1	148.9	167.6	- 11.2
13,000-19,999 btu/hr.	774.2	990.6	- 21.8	264.2	322.0	- 17.9
20,000 btu/hr. & over	303.0	473.2	- 36.0	131.8	188.5	- 30.0
Electrically operated dehumidifier mechanically refrigerated, self-contained	409.0	540.4	- 24.3	66.8	81.5	- 18.0

Source: U.S. Bureau of the Census
Current Industrial Reports
Air-Conditioning & Refrigeration Equipment
MA-35M(82)-1

Heating Stoves

Quantity & Value of Shipments of Heating Stoves By All U.S. Producers, 1980, 1981

	Quantity (Thous. Units)			Value (Mil. \$)		
	1981	1980	% Change 1981/1980	1981	1980	% Change 1981/1980
Domestic heating stoves, total	1,218.6	1,735.5	- 29.8%	\$ 252.6	\$ 363.0	- 30.4%
Gas	217.3	318.6	- 31.8	32.5	43.3	- 24.9
Wood, total	483.0	717.1	- 32.6	96.6	142.6	- 32.3
Sheet-metal airtight type	279.1	420.1	- 33.6	41.8	74.5	- 43.9
All other wood types	203.9	297.0	- 31.3	54.7	68.1	- 19.7

(continued)

MAJOR APPLIANCE SHIPMENTS

Heating Stoves

Quantity & Value of Shipments of Heating Stoves By All U.S. Producers, 1980, 1981 (continued)

	Quantity (Thous. Units)		% Change 1981/1980	Value (Mil. \$)		% Change 1981/1980
	1981	1980		1981	1980	
Domestic heating stoves (cont'd.)						
Coal, exc. sheet-metal airtight	28.5	52.7	- 45.9%	\$ 6.7	\$ 11.1	- 39.6%
Fireplace inserts	297.9	416.5	- 28.5	100.7	150.3	- 33.0
Kerosene, gasoline, fuel oil	210.0	230.6	- 8.9	16.1	15.6	+ 3.2
Air space heaters						
Portable room heaters						
Fan-forced type	2,876.9	3,300.7	- 12.8	56.3	68.1	- 17.3
Other fan	1,320.0	1,035.8	+ 27.4	27.1	25.0	+ 8.4

Source: U.S. Bureau of the Census,
Current Industrial Reports,
Selected Heating Equipment,
MA34N(81)-1.

Floor Care

The Bureau of Industrial Economics estimated the value of shipments of vacuum cleaners in 1982 at \$828.0 million, down 4.8% compared with the 1981 total. Quantity of shipments has not been reported by the Census Bureau since the 1977 Census. In that year, a total of 3.7 million upright-type electric vacuums and 2.7 million of other types (tank, etc.) were shipped by U.S. manufacturers.

Value of Shipments of Vacuum Cleaners, 1977-1982 (Millions of Dollars)

<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>
\$828.0	\$869.9	\$817.1	\$860.2	\$710.4	\$439.2

Source: U.S. Bureau of Industrial Economics,
1983 U.S. Industrial Outlook.

Merchandising magazine estimated U.S. apparent consumption of vacuum cleaners at 8.7 million units in 1983. Upright vacuums accounted for 52.4% of the total supply, but lightweight vacuums showed the largest growth in percentage terms (+16.1% over 1982).

MAJOR APPLIANCE SHIPMENTS

Apparent Consumption of Floor Care Products, 1982 & 1983 Projections

	Apparent Consumption (Thous. Units)		% Change 1983/1982
	1983	1982	
Vacuum cleaners, total	8,693	7,603	+ 14.3%
Cannister	2,742	2,401	+ 14.2
Upright	4,557	4,001	+ 13.9
Lightweight, total	1,394	1,201	+ 16.1
Hand-held	394	251	+ 57.0
Sticks	1,000	950	+ 5.3
Carpet sweepers	1,727	1,571	+ 9.9
Floor polishers	200	209	- 4.3

Source: Merchandising Magazine,
"Ninth Annual Housewares Statistical &
Marketing Report" September 1983

Household Sewing Machines

Figures on quantity of shipments of sewing machines for household use are not available. In 1982, according to the Bureau of Industrial Economics, shipments by U.S. manufacturers were valued at \$334.0 million, down 3.6% compared with the 1981 total.

Value of Shipments of Sewing Machines, 1977-1982 (Millions of Dollars)

<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>
\$334.0	\$346.4	\$328.4	\$323.2	\$260.4	\$152.1

Source: U.S. Bureau of Industrial Economics,
1983 U.S. Industrial Outlook.

Concentration Levels

Share of Specified Major Appliance Shipments Accounted For By the Top 50 Companies, 1977

	Value of Shipments* (Mil. \$)	Percent of Shipment Value Accounted For By:			
		Top 4 Companies	Top 8 Companies	Top 20 Companies	Top 50 Companies
Household cooking equipment	\$1,806.5	44%	66%	86%	98%
Electric household ranges, ovens & surface cooking units	1,232.5	57	79	98	100
Gas ranges, ovens & surface cooking units	349.1	59	82	98	100

(continued)

MAJOR APPLIANCE SHIPMENTS

Concentration Levels

Share of Specified Major Appliance Shipments Accounted For By the Top 50 Companies, 1977 (continued)

	Value of Shipments* (Mil. \$)	Percent of Shipment		Value Accounted For By:	
		Top 4 Companies	Top 8 Companies	Top 20 Companies	Top 50 Companies
Household refrigerators & freezers	\$2,005.6	82%	97%	99%	100%
Household refrigerators, incl. combination refrigerator-freezers	1,644.4	83	na	100	
Home & farm freezers	296.0	83	na	100	
Household laundry equipment	1,697.3	83	97	99	100
Household mechanical washing machines, dryers & combinations	1,460.3	85	99	100	
Household vacuum cleaners, incl. parts & attachments	710.4	69	88	99	100
Sewing machines	260.4	82	89	94	99
Household appliances, n.e.c.	1,383.0	46	72	94	99
Household water heaters, electric	222.5	78	98	100	
All other water heaters	281.6	81	99	100	
Dishwashers, disposals, trash compactors, floor waxing/polishing machines	721.8	73	90	99	100

* Value of shipments from all U.S. producers, not just those classified in the industry.
na = not available.

n.e.c. = not elsewhere classified.

Source: U.S. Bureau of the Census, 1977 Census of Manufactures, Concentration Ratios in Manufacturing (MC77-SR9).

Manufacturers' Share of Total Shipment Value of Specified Major Appliances, 1981, 1982

	1982	1981		1982	1981
<u>Room Air Conditioners</u>			<u>Freezers</u>		
General Electric	22%	28%	Whirlpool	33%	22%
White	16	10	White Consolidated		
Whirlpool (Heil-Quaker)	10	18	(Frigidaire, Gibson,		
Fedders	7	8	White Westinghouse,		
Carrier	6	7	Kelvinator)	29	26
Addison	5	5	Admiral	24	25
Emerson Quiet Kool	5	5	Raytheon (Amana)	9	14
All others	29	19	All others	5	3

(continued)

MAJOR APPLIANCE SHIPMENTS

Concentration Levels

Manufacturers' Share of Total Shipment Value of Specified Major Appliances, 1981, 1982 (continued)

	1982	1981		1982	1981
<u>Trash Compactors</u>			<u>Food Waste Disposers</u>		
Whirlpool	47%	45%	In-Sink-Erator	58%	25%
GE/Hotpoint	30	30	GE/Hotpoint	17	35
Hobart (Kitchen Aid)	9	10	Tappan	9	15
Tappan	6	6	Thermador/Waste King	9	--
All others	8	9	All others	7	25
<u>Dishwashers</u>			<u>Microwave Ovens</u>		
Design & Manufacturing	38	45	GE/Hotpoint	15	12
GE/Hotpoint	22	15	Raytheon (Amana)	13	13
Whirlpool	15	7	Litton	12	15
Hobart (Kitchen Aid)	14	18	Sharp	12	10
Maytag	7	12	Sanyo	10	20
All others	4	3	Tappan	9	10
			All others	29	20
<u>Ranges/Ovens, Built-In</u>			<u>Ranges/Ovens, Gas</u>		
<u>Microwave</u>			<u>Magic Chef (Gaffers & Sattler)</u>		
GE	31	20		21	25
Litton	16	16	Raytheon (Caloric, Sunray, Modern Maid, Sunray/Glenwood)	19	25
Raytheon (Amana, Caloric, Modern Maid, Sunray/Glenwood)	14	10	Tappan	19	17
Whirlpool	12	6	Roper	12	14
Magic Chef	7	7	Hardwich	9	9
Roper	7	15	All others	20	10
All others	13	26			
<u>Clothes Dryers, Gas</u>			<u>Clothes Dryers, Electric</u>		
Whirlpool	45	46	Whirlpool	45	46
GE/Hotpoint	17	13	GE/Hotpoint	18	15
Maytag	15	20	Maytag	15	20
White Consolidated (Frigidaire, Gibson, White-Westinghouse, Kelvinator)	15	14	White Consolidated (Frigidaire, Gibson, White-Westinghouse, Kelvinator)	15	14
All others	8	7	All others	7	5
<u>Refrigerators</u>			<u>Clothes Washers</u>		
GE/Hotpoint	30	29	Whirlpool	45	43
Whirlpool	29	28	GE/Hotpoint	19	15
White Consolidated (Frigidaire, Gibson, White-Westinghouse, Kelvinator)	24	23	Maytag	16	20
Admiral	11	9	White Consolidated (Frigidaire, Gibson, White-Westinghouse, Kelvinator)	15	14
All others	6	11	All others	5	8

Source: Appliance Manufacturers Magazine
"Seventh Annual Marketing Guide"
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FOREIGN TRADE IN MAJOR APPLIANCES

Imports

Imports do not have a significant effect on the U.S. appliance market. They accounted for only 8.0% of the total new supply of major appliances in the U.S. in 1982, according to the Bureau of Industrial Economics. In value, 1982 appliance imports rose 5.6% to \$1.2 billion, but this figure includes electric housewares imports. Available information from the Census Bureau indicates that major appliance imports totaled approximately \$410 million in 1982.

Microwave oven imports represented half of the major appliance import value. At \$206.3 million in 1982, this was down 6.7% from 1981. Refrigerator imports were valued at \$56.1 million, up 12.0% over a year ago. The import value of electric stoves and ranges slid 14.8% to \$102.4 million in 1982. Major foreign suppliers of household appliances are Japan, Hong Kong, Taiwan and Singapore.

Barriers to the importation of major appliances from other countries include the limited local demand in their home markets, the heavy capital expenditures required to manufacture them and the high cost of transportation.

Exports

The export value of major appliances declined a substantial 27.3% to \$557.7 million in 1982, according to the Census Bureau. Exports in units were off 26.5%. The decline was attributed to the poor economic situation worldwide, which prompted many families to postpone major appliance purchases. Export markets include Canada, Saudi Arabia, Venezuela, England and West Germany.

Exports of Major Appliances

Quantity & Value of U.S. Exports of Specified Major Appliances
1981, 1982

	Quantity (Thous. Units)			Value* (Mil. \$)		
	1982	1981	% Change 1982/1981	1982	1981	% Change 1982/1981
Major appliances, total	3,136.5	4,286.8	- 26.8%	\$557.7	\$767.3	- 27.3%
Kitchen & related appliances, total	2,106.0	2,750.0	- 23.4	278.7	375.9	- 25.9
Refrigerators & refrigerator-freezers, household type, total	247.2	329.5	- 25.0	129.1	172.4	- 25.1
Under 13.5 cubic feet	68.0	81.4	- 16.5	30.7	34.1	- 10.0
Over 13.5 cubic feet	179.2	248.1	- 27.8	98.4	138.3	- 28.8
Freezers, household type	30.0	48.6	- 38.3	15.6	26.4	- 40.9
Microwave ovens, household type	68.6	122.9	- 44.2	19.3	33.8	- 42.9
Household cooking apparatus, exc. portable, of base metal	120.7	130.0	- 7.1	17.6	20.9	- 15.8
Domestic heating stoves, of base metal	97.6	101.3	- 3.6	9.9	11.7	- 15.4
Electric cooking stoves & ranges, household type, nsfp	80.9	92.7	- 12.7	27.9	27.9	--

(continued)

FOREIGN TRADE

Exports of Major AppliancesQuantity & Value of U.S. Exports of Specified Major Appliances

	1981, 1982 (continued)					
	Quantity (Thous. Units)			Value* (Mil. \$)		
	1982	1981	% Change 1982/1981	1982	1981	% Change 1982/1981
Nonportable cooking & food warming appliances, nspf	636.4	649.6	- 2.0%	\$ 23.9	\$ 25.4	- 5.9%
Nonportable electrothermic kitchen & household appliances, nspf	645.1	1,048.1	- 38.4	13.1	24.9	- 47.4
Dishwashers, household type	52.3	78.1	- 33.0	13.1	17.0	- 22.9
Food waste disposers, electro-mechanical	127.2	149.2	- 14.7	9.2	10.2	- 9.8
Laundry equipment, total	176.6	197.8	- 10.7	51.2	54.9	- 6.7
Washing machines, exc. commercial & industrial	128.8	141.5	- 9.0	39.0	40.9	- 4.6
Clothes dryers, household types	47.8	56.3	- 15.1	12.2	14.0	- 12.9
Air conditioners, window & wall types, total	480.1	712.9	- 32.7	177.8	263.6	- 32.5
Under 10,000 BTU/hr.	90.6	144.7	- 37.4	33.1	46.5	- 28.8
10,000-16,999 BTU/hr.	122.3	218.7	- 44.1	45.3	80.8	- 43.9
17,000 BTU/hr. & over	267.2	349.5	- 23.5	99.4	136.3	- 27.1
Vacuum cleaners, electro-mechanical	326.6	557.6	- 41.4	32.3	48.0	- 32.7
Floor polishers, electro-mechanical & parts thereof	--	--	--	10.5	15.3	- 31.4
Gas water heaters	47.2	68.5	- 31.1	7.2	9.6	- 25.0

na = not available

nspf = not specially provided for.

* Value is equivalent to f.a.s. (free alongside ship) value at the U.S. port of export. It is based on the transaction price, including inland freight, insurance and other charges incurred in placing the merchandise alongside the carrier at the U.S. port of exportation. It excludes the cost of loading the merchandise aboard the carrier as well as freight, insurance and any other charges or transportation costs beyond the port of exportation.

Source: U.S. Dept. of Commerce
U.S. General Exports FT 410
December 1981, 1982

FOREIGN TRADE

Import Penetration

Total Apparent Consumption of Selected Major Appliances in the U.S., 1982 & Imports' Share of the Total

	Apparent U.S. Consumption*		Imports % To Total	
	Quantity (Thous.)	Value (Mil. \$)	Apparent U.S. Consumption Quantity	Value
Microwave ranges, ovens	3,800.9	\$ 927.7	29%	22%
Refrigerators & combination refrigerator-freezers	4,995.7	1,721.9	13	4
Food freezers, household type	1,335.5	312.7	7	5
Washing machines, household type	3,885.4	983.8	1	**

* Apparent consumption equals U.S. production less exports plus imports.

**Less than 0.5%.

Source: U. S. Bureau of the Census, Current Industrial Reports,
Major Household Appliances, 1982 (MA36F)

PRODUCER PRICES

Household appliance prices at the factory level jumped 3.1% in the twelve month period ended August 1983, almost double the overall increase in the producer price index. Major appliance producer prices were up an even higher 3.5%. This follows a 7.3% increase in major appliance prices in 1982 compared with a 2.0% gain for all commodities.

Producer (Factory) Price Indexes For Specified Major Appliances 1981, 1982 & August 1982, 1983 (1967=100 unless otherwise indicated)

	August			Annual Averages		
	1983	1982	% Change 1983/1982	1982	1981	% Change 1982/1981
All commodities	304.9	300.2	+ 1.6%	299.3	293.4	+ 2.0%
Household appliances	207.3	201.0	+ 3.1	199.1	187.3	+ 6.3
Major appliances	212.2	205.1	+ 3.5	202.6	188.8	+ 7.3
Cooking equipment	227.0	219.2	+ 3.6	216.1	203.5	+ 6.2
Free-standing electric ranges	243.8	231.5	+ 5.3	225.2	203.4	+ 10.7
Built-in surface cooking tops, electric	229.9	214.0	+ 7.4	na	190.0	--
Portable microwave ovens (12/78=100)	na	99.8	--	99.6	103.4	- 3.7
Drop-in electric ranges	113.8	111.4	+ 2.1	110.2	na	--
Free-standing gas ranges	255.0	245.1	+ 4.0	240.0	227.2	+ 5.6
Surface cooking tops, gas (6/81=100)	113.9*	106.8*	+ 6.6	107.7	102.5	+ 5.1
Nonstandard type gas ranges (6/81=100)	116.5	112.8	+ 3.3	111.0	103.3	+ 7.4

(continued)

PRODUCER PRICES

Producer (Factory) Price Indexes For Specified Major Appliances 1981, 1982 & August 1982, 1983 (1967 = 100 unless otherwise indicated) (continued)

	August			Annual Averages		
	1983	1982	% Change 1983/1982	1982	1981	% Change 1982/1981
Laundry equipment	214.7	208.9	+ 2.8%	206.2	192.8	+ 7.0%
Washing machines, automatic	205.1	199.5	+ 2.8	196.8	184.8	+ 6.5
Electric dryers	233.2	226.7	+ 2.9	223.6	207.0	+ 8.0
Gas dryers (6/80=100)	na	114.4	--	113.9	104.7*	+ 8.8
Refrigeration equipment	203.9	199.0	+ 2.5	196.1	180.6	+ 8.6
Refrigerator-freezer, 14.4 cubic feet & under (12/81=100)	108.9	108.3	+ 0.6	106.8	na	--
Home freezer, upright type	205.3	199.7	+ 2.8	198.4	185.1***	7.2
Other major appliances	196.7	186.0	+ 5.7	185.6	175.5	+ 5.7
Room air conditioners	176.4	164.9	+ 7.0	na	158.0	--
Dishwasher, undercounter	192.6	187.7	+ 2.6	186.7	173.9	+ 7.4
Food waste disposers	na	196.2	--	195.8	182.4	+ 7.3
Sewing machines, portable type, imported head	191.9	188.8	+ 1.6	189.3	177.3	+ 6.8
Vacuum cleaners, including parts & attachments	162.0	162.5	- 0.3	161.4	154.8	+ 4.3

na = not available

* Index for July, not August.

**Index based on the first 9 months of the year.

Source: U.S. Bureau of Labor Statistics

THE CONTRACT MARKET FOR MAJOR APPLIANCES

In 1982, 93% of all new one family homes came equipped with a stove, 84% contained a dishwasher and 16% had refrigerators, up from 11% in 1978. The North Central region of the U.S. was less likely to build homes with stoves and dishwashers in 1982 (only 69%) but slightly more likely to have a refrigerator (22%).

THE CONTRACT MARKET FOR MAJOR APPLIANCES

Selected Appliances Included in the Sale Price of New One Family Houses, By Region 1981, 1982

	1982		1981		1978
	Number of Houses (Thous.)	% of Total	Number of Houses (Thous.)	% of Total	% of Total
U.S. total	412	100%	436	100%	100%
Appliances:					
Stove	382	93	398	91	92
Dishwasher	346	84	359	82	84
Refrigerator	66	16	67	15	11
Northeast, total	47	100	46	100	100
Appliances:					
Stove	43	93	41	90	91
Dishwasher	33	70	33	71	75
Refrigerator	11	24	9	20	16
North Central, total	48	100	60	100	100
Appliances:					
Stove	33	69	40	66	69
Dishwasher	33	69	38	63	68
Refrigerator	10	22	11	18	13
South, total	219	100	219	100	100
Appliances:					
Stove	209	96	209	95	97
Dishwasher	194	89	191	87	89
Refrigerator	38	17	41	19	17
West, total	99	100	112	100	100
Appliances:					
Stove	96	97	108	96	98
Dishwasher	86	87	98	88	89
Refrigerator	6	6	6	5	3

Source: U.S. Bureau of the Census,
Characteristics of New Housing: 1982,
C25-80-13.

Selected Appliances Included in New One-Family Houses By Sales Price, 1982

Sale price of house:	Percent of Houses Sold With:		
	Stoves	Dishwashers	Refrigerators
Under \$50,000	76%	45%	9%
\$50,000-\$59,999	93	80	13
\$60,000-\$79,999	95	91	13
\$80,000-\$99,999	98	95	19
\$100,000-\$119,999	na	na	19
\$120,000 & over	na	na	27

(continued)

THE CONTRACT MARKET FOR MAJOR APPLIANCES

Selected Appliances Included in New One-Family Houses By Sales Price, 1982 (continued)

	Percent of Houses Sold With:		
	<u>Stoves</u>	<u>Dishwashers</u>	<u>Refrigerators</u>
Average price of house:			
With specified appliance	\$85,900	\$89,500	\$98,500
Without specified appliance	57,600	55,100	81,000
Median price of house:			
With specified appliance	70,700	73,500	79,700
Without specified appliance	49,400	49,000	68,200

Source: U.S. Bureau of the Census,
Characteristics of New Housing: 1982,
C25-80-13.

In addition to the new-house market for major appliances, a large market also exists, of course, in motels, hospitals, schools and other institutions. This Fact File is, however, concerned with the household market for home appliances and does not cover these contract markets.

THE REPLACEMENT MARKET FOR MAJOR APPLIANCES

The following estimates of the service-life expectancy, under one owner, for selected major appliances are the largest available statistics developed by the U.S. Department of Agriculture, Agricultural Research Service. The information was collected from a national sample of about 12,000 households in 1972.

The table indicates how long, on the average, households kept appliances, not how long the appliances could be made to last. Comparisons to estimates developed by the U.S.D.A. in 1957 through 1961 show that the service-life for most items acquired new remained the same. Service-life expectancy of items acquired used was slightly less in 1972 than in the 1957-1961 period.

Length of Time the Average Household Keeps a Major Appliance (Years)

Major appliance	Life-Expectancy of Major Appliance	
	<u>Obtained New</u>	<u>Obtained Used</u>
Freezer	20	9
Refrigerator	15	7
Range		
Gas	13	7
Electric	12	6
Dishwasher	11	7
Washer, automatic	11	5
Dryer		
Gas	13	na
Electric	14	5

na = not available

Source: U.S. Department of Agriculture,
Agricultural Research Service.

ELECTRIC HOUSEWARES

GENERAL STATISTICS ON THE ELECTRIC HOUSEWARES INDUSTRY

As noted in the introductory section of this Fact File, covering General Statistics on Major Appliances & Electric Housewares, industry data on a combined basis is reported by the Census Bureau and other government sources. However, available separate figures for the electric housewares segment are covered in this section.

U.S. manufacturers classified in the electric housewares and fans industry shipped \$3.1 billion worth of goods (both primary and secondary), including miscellaneous receipts, in 1981, 6.7% less than in 1980, according to the Annual Survey of Manufactures.

Electric Housewares & Fans (SIC 3634*)

	1981	1980	1979	1977
Number of companies	na	na	na	239
Number of establishments, total**	na	248	253	291
Number with 20 or more employees	138	139	140	148
Employees, total (thous.)	44.0	47.1	46.8	47.3
Production workers (thous.)	34.2	36.8	36.7	37.6
Payroll (mil. \$)	\$ 568.3	\$ 574.4	\$ 531.2	\$ 458.7
Value added by manufacture# (mil. \$)	1,515.5	1,690.0	1,417.4	1,365.7
Value of industry shipments## (mil. \$)	3,078.4	3,299.8	2,868.9	2,531.2
Capital expenditures, new (mil. \$)	74.4	70.1	62.1	47.8

na = not available

*SIC 3634 includes establishments primarily engaged in manufacturing electric housewares for heating, cooking, and other purposes. Important products of this industry include electric air heaters, fans, electrically heated bed coverings, blenders, broilers, deep fat fryers, flat irons, food mixers, hot plates, percolators, coffee makers and roasters. Also included in this industry are personal care electrics: hair curlers, hair dryers, massage machines, electric razors, sauna heaters, electric toothbrushes and water pulsating devices.

**Each business location is counted as a separate establishment. Data for 1979-1981 include only establishments with payrolls, as reported in County Business Patterns.

#Value added by manufacture is derived by subtracting the total cost of materials (including materials, supplies, fuel, electric energy, cost of resales and miscellaneous receipts) from the value of shipments (including resales) and other receipts and adjusting the resulting amount by net change in finished products and work-in-process inventories between the beginning and end of year.

##Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. It includes receipts for contract work, all items made by or for each establishment from materials owned by it, and also miscellaneous receipts. It also includes both primary and secondary products made in the industry. Value of shipments by all producers (including secondary manufacturers of electric housewares) is covered on pages 27-29.

Source: U.S. Bureau of the Census, Census of
Manufactures, 1977 Annual Survey of
Manufactures, 1979, 1980, 1981

GENERAL STATISTICS ON THE ELECTRIC HOUSEWARES INDUSTRY

Employment & Earnings

Employment & Earnings in the Electric Housewares & Fans Industry Annual Averages 1981, 1982 & January-August 1982, 1983

	January-August Average			Annual Averages		
	1983(p)	1982	% Change 1983/1982	1983	1982	% Change 1983/1982
Electric housewares & fans (SIC 3634)						
All employees (thous.)	42.0	43.2	- 2.8%	43.9	50.8	- 13.6%
Production workers (thous.)	32.0	33.3	- 3.9	33.9	40.7	- 16.7
Avg. weekly earnings	\$254.72	\$228.05	+ 11.7	\$239.65	\$231.99	+ 3.3
Avg. hourly earnings	6.62	6.23	+ 6.3	6.34	6.01	+ 5.5
Avg. weekly hours	38.5	36.6	+ 5.2	37.8	38.6	- 2.1

(p) = preliminary.

Source: U.S. Bureau of Labor Statistics

Concentration in the Industry

Number of Manufacturing Plants in the Electric Housewares & Fans Industry By Employment Size, 1981 (Includes only establishments with payrolls)

	Electric Housewares & Fans (SIC 3634)	
	Number	% of Total
Total plants	249	100.0%
Number by employment size:		
Under 20 employees	111	44.6
20-99 employees	48	19.3
100-499 employees	63	25.3
500 or more employees	27	10.8

Source: U.S. Bureau of the Census,
County Business Patterns 1980

ELECTRIC HOUSEWARES SHIPMENTS

The total value of manufacturers' shipments of electric housewares in 1981, not including parts, was reported by the Census Bureau at close to \$2.0 billion. This includes shipments by all producers, regardless of industry classification. Shipments of fans (not including industrial) were valued at \$649 million.

ELECTRIC HOUSEWARES SHIPMENTS

Value of Product Shipments, 1977-1981
(Millions of Dollars)

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>% Change</u> <u>1981/1977</u>
Total reported	\$2,874.1	\$3,093.7	\$2,730.4	\$2,371.1	\$2,304.0	+ 24.7%
Electric housewares, exc. fans	1,997.8	2,135.9	2,040.7	1,837.2	1,846.2	+ 8.2
Electric fans (exc. industrial)	648.7	700.6	496.1	341.9	257.0	+152.4
Electric housewares parts	167.3	187.2	160.1	128.6	148.4	+ 12.7
Electric housewares/fans, type not specified	60.3	70.0	33.5	63.9	52.4	+ 15.1

Source: U.S. Bureau of the Census,
1981 Annual Survey of Manufactures
(M81AS-2)

Through an annual survey among all known manufacturers of electric housewares and fans (approximately 140 companies), the U.S. Bureau of the Census develops information on the quantity and value of manufacturers' shipments of specific products, which is covered in the following table.

Quantity & Value of Shipments of Electric Housewares & Fans
By Product, 1981, 1982

	No. of U.S. Producers	Quantity (Thous. Units)		Value (Mil. \$)		% Change
	<u>1982</u>	<u>1982</u>	<u>1981</u>	<u>1982</u>	<u>1981</u>	<u>1982/1981</u>
Electric housewares & fans, total	140	--	--	\$2,495.3	\$2,723.4	- 8.4%
Electric housewares, total (excl. parts)*	103	--	--	1,920.5	2,062.8	- 6.9
Food preparation appliances:						
Broilers with or without rotisseries	8	773.1	1,066.8	26.1	34.4	- 24.1
Automatic coffee makers, total	na	13,561.9	14,086.1	254.8	256.1	- 0.5
Drip type	14	9,651.5	9,594.8	194.0	189.5	+ 2.4
Percolator or vacuum type	8	3,021.0	3,461.4	41.9	47.1	- 11.0
Urn type	6	889.3	1,029.9	18.9	19.4	- 2.6
Deep fat fryers	8	1,987.1	2,038.6	24.9	25.9	- 3.9
Ovens & roasters, with or without broilers	10	2,594.7	3,359.4	99.6	130.4	- 23.6
Hot plates & disc stoves (1,650 watts or less)	10	1,117.4	1,278.8	15.9	17.0	- 6.5
Automatic toasters	6	6,591.3	7,690.1	84.9	96.6	- 12.1
Waffle irons, sandwich grills, griddles & combinations	14	1,411.4	1,825.8	31.6	40.3	- 21.6
Frying pans (skillets)	9	3,202.7	2,628.9	77.0	66.4	+ 16.0

(continued)

ELECTRIC HOUSEWARES SHIPMENTS

Quantity & Value of Shipments of Electric Housewares & Fans
By Product, 1981, 1982
 (continued)

	No. of U.S. Producers	Quantity (Thous. Units)		Value (Mil. \$)		% Change
	1982	1982	1981	1982	1981	1982/1981
Food preparation appliances (cont'd.)						
Corn poppers, total	na	3,568.0	3,687.9	\$ 49.4	\$ 56.0	- 11.8%
Hot-air type	3	1,988.0	3,687.9	30.5	56.0	--
Other than hot-air type	9	1,579.4		18.9		--
Household food processors	7	1,390.9	1,503.5	60.2	66.1	- 8.9
Household food mixers, total	na	8,988.6	10,367.0	230.3	252.1	- 8.6
Hand (portable)	6	2,662.1	3,440.0	31.7	37.9	- 16.4
Stand type	4	1,542.0	1,666.2	94.6	106.4	- 11.1
Blenders (liquefiers)	5	4,784.6	5,260.7	104.0	107.8	- 3.5
Ice crushers	4					
Household food preparation appliances, except mixers	9	1,507.5	1,737.2	39.4	39.3	+ 0.2
Can openers	8	4,127.9	4,357.8	46.7	45.6	+ 2.4
Other household type electric cooking/heating appliances	22	na	na	95.3	108.1	- 11.8
Electric irons, standard household types	6	6,600.0	11,013.1	88.4	137.0	- 35.5
Electric blankets	3	4,942.7	4,172.4	132.2	122.9	+ 7.6
Electric heating pads	8	3,795.2	3,958.1	26.9	26.3	+ 2.3
Hair dryers	6	791.2	1,075.3	11.0	14.1	- 22.1
Other small electric appliances, incl. curling irons, vibrators, portable dehumidifiers	33	--	--	188.0	191.3	- 1.7
Portable humidifiers	11	2,548.8	2,925.5	35.3	36.5	- 3.3
Heaters, etc.						
Air space heaters, total	na	7,196.0	8,090.2	181.9	196.6	- 7.5
Portable room heaters, total	na	4,168.9	4,355.3	91.7	93.0	- 1.4
Fan forced type	19	3,165.5	2,959.2	63.6	58.8	+ 8.2
Other than fan forced (convector, radiant)	17	1,003.3	1,396.2	28.1	34.1	- 17.6
For fixed installations, all types	na	3,027.1	3,734.9	90.2	103.6	- 12.9
Baseboard, except glass panel	15	1,924.4	2,405.6	42.0	49.5	- 15.1
Other than baseboard	15	1,102.7	1,329.3	48.2	54.1	- 10.9
Electric fans, except industrial	39	19,205.0	21,692.7	574.8	660.5	- 13.0
Desk & wall bracket	na	4,241.8	4,006.4	66.3	64.2	+ 3.3
Window (household) permanent type	na	425.1	522.5	13.9	16.8	- 17.3
Portable window fans	9	6,557.3	7,211.2	104.2	119.5	- 12.8
Roll-about	3					
Electric range hoods, total	na	1,610.9	1,980.0	64.6	79.5	- 18.7
Ducted	15	855.1	1,063.1	40.4	50.5	- 20.0
Nonducted	14	755.9	916.9	24.1	29.0	- 16.9

(continued)

ELECTRIC HOUSEWARES SHIPMENTS

Quantity & Value of Shipments of Electric Housewares & Fans By Product, 1981, 1982 (continued)

	No. of U.S. Producers	Quantity (Thous. Units)		Value (Mil. \$)		% Change 1982/1981
	1982	1982	1981	1982	1981	
Electric fans (cont'd.)						
Oven hoods	3	56.7	99.1	\$ 3.8	\$ 5.7	- 33.3%
Ceiling fans	11	3,898.3	5,111.9	176.3	198.3	- 11.1
All other household type ventilating & exhaust fans	6	842.9	928.5	28.4	30.2	- 6.0
All other electric fans	7	1,589.7	1,833.1	117.3	146.4	- 19.9

*Includes electric housewares not separately reported, such as shavers, knives, toothbrushes, etc.

Source: U.S. Bureau of the Census,
Current Industrial Reports,
Electric Housewares & Fans MA36E(82)-1.

Concentration Levels

The 50 largest manufacturers' of electric housewares and fans accounted for 90% of the total value of shipments in 1977 (latest available data). This compares with an 87% share in 1972.

Share of Shipment Value of Electric Housewares & Fans Accounted For By The Top Companies in 1977

	Total Value of Shipments (Mil. \$)	Percent of Shipment Value Accounted For By--			
		Top 4 Companies	Top 8 Companies	Top 20 Companies	Top 50 Companies
Electric housewares & fans	\$2,304.0	39%	53%	73%	90%
Electric fans (excl. industrial)	257.0	53	71	93	100
Electric housewares	1,846.2	43	59	80	96

Source: U.S. Bureau of the Census,
Census of Manufactures, 1977,
Concentration Ratios in Manufacturing (MC77-SR-9).

Distribution of Manufacturers' Sales

For the 16th annual National Housewares Manufacturers Association survey, 605 exhibitors at the January 1983 NHMA International Housewares Exposition supplied data on the type of outlets to which they sell. More than a quarter of their sales were to mass merchandisers, far ahead of the 12% of sales done with catalog showrooms, which was the second highest amount. The survey, conducted by B. Angell & Associates, solicits input from all types of housewares manufacturers, not just those manufacturing electric housewares.

ELECTRIC HOUSEWARES SHIPMENTS

Distribution of Manufacturers' Sales

Percentage Breakdown of Housewares Manufacturers' Sales, 1982

	<u>1982</u>
Total sales	100%
Mass merchandisers	28
Catalog showrooms	12
Department stores	9
Housewares/hardware distributors	7
Drug stores	6
Food stores	5
Housewares/hardware stores	5
Buying syndicates	3
Electric housewares distributors	3
Rack jobbers	3
Variety stores	3
All other retailers & wholesalers	16

Source: Based on National Housewares Manufacturers Association 16th Annual Marketing Research Study of Housewares Manufacturers, 1982

PRODUCER PRICES

Prices of electric housewares and fans at the factory level increased 3.0% in 1982 from the previous year. Men's electric razor prices fell 11.5% and range hoods rose the most, 5.8%.

Producer Price Indexes For Specified Electric Housewares, 1981, 1982 (1967 = 100 unless otherwise indicated)

	<u>Annual Averages</u>		
	<u>1982</u>	<u>1981</u>	<u>% Change</u> <u>1982/1981</u>
All commodities	299.3	293.4	+ 2.0%
Electric housewares & fans	176.4	171.3	+ 3.0
Standard household electric iron	146.1	145.5	+ 0.4
Can opener, electric (12/70 = 100)	179.4	174.9	+ 2.6
Shaver, men's	131.9	149.0	- 11.5
Range hoods	195.5	184.7	+ 5.8

Source: U.S. Bureau of Labor Statistics.

FOREIGN TRADE

Imports of Electric Housewares

Because the electric housewares industry is more labor-intensive than the major appliance industry, imports play a more important role in this market. In 1982, several electric housewares items posted large increases in import value, such as irons (+71.5%), coffee-makers (+36.1%), shavers (+29.2%) and hair curlers (+20.4%). Some categories did decline in value, namely portable cooking and food-warming appliances (-23.8%), hair dryers (-1.5%) and miscellaneous electric housewares (-23.8%).

Quantity & Value of Imports of Specified Electric Housewares, 1981, 1982

	Quantity (Thous. Units)			C.I.F. Value* (Mil. \$)		
	1982	1981	% Change 1982/1981	1982	1981	% Change 1982/1981
Toasters	209.6	123.1	+ 70.3%	\$ 2.1	\$ 0.9	+133.3%
Coffee makers	417.6	382.5	+ 9.1	8.3	6.1	+ 36.1
Electro-mechanical food blenders, food mixers & juice extractors	2,253.4	1,556.8	+ 44.7	23.6	18.5	+ 27.6
Electro-mechanical food grinders, slicers & choppers	632.4	414.9	+ 52.4	15.2	12.1	+ 25.6
Portable cooking & foodwarming appliances, nspf	3,753.5	4,417.3	- 15.0	34.6	42.3	- 18.2
Electro-mechanical appliances, nspf	1,518.6	2,101.8	- 27.7	36.1	47.4	- 23.8
Electrothermic appliances, nspf	7,337.9	8,828.6	- 16.9	53.6	46.6	+ 15.0
Flat irons, electric	4,240.9	2,534.9	+ 67.3	45.1	26.3	+ 71.5
Electric shavers	4,012.4	3,501.7	+ 14.6	60.1	46.5	+ 29.2
Electric hair dryers	15,287.3	15,077.5	+ 1.4	92.7	94.1	- 1.5
Electric hair curlers	--	--	--	66.7	55.4	+ 20.4
Electric hair care appliances, nspf	--	--	--	32.1	27.5	+ 16.7

nspf = not specially provided for.

* The C.I.F. (cost, insurance, freight) value refers to the value of imports at the first port of entry in the U.S. It is based on the purchase price as well as all freight, insurance and other charges (excluding U.S. import duties) incurred in bringing the merchandise from the country of exportation and generally placing it alongside the carrier at the first port of entry in the U.S.

Source: U.S. Department of Commerce
U.S. General Imports
December 1981, 1982

FOREIGN TRADE

Exports of Electric HousewaresQuantity & Value of U.S. Exports of Specified Electric Housewares
1981, 1982

	Quantity (Thous. Units)			Value* (Mil. \$)		
	1982	1981	% Change 1982/1981	1982	1981	% Change 1982/1981
Toasters	991.1	1,252.3	- 20.9%	\$ 17.0	\$ 19.1	- 11.0%
Coffeemakers	1,010.2	1,263.9	- 20.1	16.2	18.2	- 11.0
Portable household cooking apparatus, including food or plate warmers, of base metal	638.5	664.2	- 3.9	17.2	14.8	+ 16.2
Electro-mechanical food blenders, mixers & juice extractors	889.0	1,343.3	- 33.8	25.1	31.6	- 20.6
Food grinders, slicers & choppers, electro-mechanical	126.7	351.4	- 63.9	5.4	12.9	- 58.1
Can openers, including combination units, electro-mechanical	224.6	195.5	+ 14.9	2.6	2.3	+ 13.0
Portable electrothermic kitchen & household appliances	598.9	607.7	- 1.4	15.1	16.6	- 9.0
Electro-mechanical appliances, nspf	703.2	1,099.5	- 36.0	22.1	26.0	- 15.0
Flat irons, electric	1,019.1	1,887.6	- 46.0	11.2	21.4	- 47.7
Electric shavers	518.5	316.0	+ 64.1	5.8	3.0	+ 93.3
Hairdressing appliances, electric	--	--	--	4.5	5.6	- 19.6

nspf = not specially provided for.

*Value is equivalent to f.a.s. (free alongside ship) value at the U.S. port of export. It is based on the transaction price, including inland freight, insurance and other charges incurred in placing the merchandise alongside the carrier at the U.S. port of exportation. It excludes the cost of loading the merchandise aboard the carrier as well as freight, insurance and any other charges beyond the port of exportation.

Source: U.S. Department of Commerce,
U.S. General Exports,
December 1981, 1982.

APPARENT CONSUMPTION OF ELECTRIC HOUSEWARES IN THE U.S.

As part of their annual review on the housewares industry, Merchandising magazine estimated apparent consumption (domestic shipments plus imports minus exports) of kitchen electrics, personal care items and air treatment products in 1982 and projected 1983 apparent consumption for the same items. The listing below includes only those items for which apparent consumption could not be obtained via government sources.

APPARENT CONSUMPTION OF ELECTRIC HOUSEWARES IN THE U.S.

Apparent Consumption of Kitchen Electrics, Personal Care
& Air Treatment Products, 1982 & 1983 Projections
(Thousands of Units)

	Apparent Consumption		
	1983	1982	% Change 1983/1982
Kitchen electrics:			
Bag sealers	1,929	2,016	- 4.3%
Blenders	4,738	4,587	+ 3.3
Broilers, total	2,125	2,205	- 3.6
With rotisseries	370	385	- 3.9
Without rotisseries	1,755	1,820	- 3.6
Cornpoppers, total	5,806	5,778	+ 0.5
Hot air	3,750	3,862	- 2.9
Hot oil	2,056	1,916	+ 7.3
Deep fryers, total	3,167	3,031	+ 4.5
Mini	1,698	1,632	+ 4.0
Regular	1,469	1,399	+ 5.0
Food mixers, total	5,295	5,217	+ 1.5
Stand type	1,198	1,208	- 0.8
Portable, hand type	4,097	4,009	+ 2.2
Food processors	2,728	2,689	+ 1.5
Frypans/skillets (electric)	2,740	2,632	+ 4.1
Hotplates & buffet ranges	955	905	+ 5.5
Ice cream makers	1,370	1,348	+ 1.6
Microwave appliances, total	642	587	+ 9.4
Cornpoppers	574	518	+ 10.8
Coffeemakers	15	14	+ 7.1
Pizza crispers	24	29	- 17.2
Steamers	29	26	+ 11.5
Pasta makers (electric)	381	350	+ 8.9
Slicing knives	1,490	1,580	- 5.7
Slow cookers	5,363	5,500	- 2.5
Toaster ovens, total	3,025	2,828	+ 7.0
Without broilers	868	840	+ 3.3
With broilers	2,157	1,988	+ 8.5
Waffle irons/sandwich grills	1,290	1,152	+ 12.0
Woks (electric)	594	560	+ 6.1
Personal care electrics:			
Curling irons/styling wands, total	6,007	5,984	+ 0.3
Dry	4,521	4,084	+ 10.7
Mist	1,486	1,900	- 21.8
Foot massagers/baths	1,830	1,615	+ 13.3
Hair dryers, total	18,232	18,413	- 1.0
Pistol	14,081	13,398	+ 5.1
Styling	3,228	4,000	- 19.3
Hard top	579	605	- 4.3
Soft bonnet	344	410	- 16.1

(continued)

APPARENT CONSUMPTION OF ELECTRIC HOUSEWARES IN THE U.S.

Apparent Consumption of Kitchen Electrics, Personal Care
& Air Treatment Products, 1982 & 1983 Projections
 (Thousands of Units)
 (continued)

	Apparent Consumption		
	1983	1982	% Change 1983/1982
Personal care electrics: (continued)			
Hair setters, total	2,986	2,843	+ 5.0%
Dry	1,804	1,599	+ 12.8
Mist	1,182	1,244	- 5.0
Make-up mirrors	1,704	1,729	- 1.4
Massagers, hand-held	1,274	1,142	+ 11.6
Massagers, shower	2,470	2,250	+ 9.8
Oral hygiene devices, total	1,729	1,625	+ 6.4
Water pulsators	1,170	1,091	+ 7.2
Electric toothbrushes	559	534	+ 4.7
Shavers, total	6,250	6,367	- 1.8
Men's	5,067	5,031	+ 0.7
Women's	1,183	1,336	- 11.5
Whirlpool baths, portable	125	118	+ 5.9
Air treatment products:			
Fans, total	20,237	19,751	+ 2.5
Window	5,385	5,770	- 6.7
Kitchen/bathroom built-in exhaust	3,045	2,827	+ 7.7
Range & oven hoods	2,488	2,278	+ 9.2
Desk, bracket & pedestal	3,293	2,843	+ 15.8
Hassock/roll-about	908	966	- 6.0
Ceiling	5,118	5,067	+ 1.0
Portable electric heaters, total	4,757	4,069	+ 3.2
Oil-filled	492	441	+ 11.6
Fan-forced	2,963	2,829	+ 4.7
Non-fan-forced	175	173	+ 1.2
Baseboard	228	240	- 5.0
Quartz	899	926	- 2.9
Humidifiers	898	895	+ 0.3
Vaporizers	1,754	1,808	- 3.0
Air purifiers, total	5,800	5,650	+ 2.7
Filtration devices	5,060	5,100	- 0.8
Ionization devices	740	550	+ 34.5

Source: Merchandising magazine,
 "Ninth Annual Housewares Statistical &
 Marketing Report", September 1983

MAJOR APPLIANCES & ELECTRIC HOUSEWARES

AT THE RETAIL LEVEL

THE POTENTIAL MARKET

Approximately a quarter of all major appliance sales are made to builders. Hence, the surge in housing starts during 1983 has improved the appliance industry outlook for the immediate future.

The number of housing starts in the January to September 1983 period jumped 70.9% over the same 1982 time frame to 1.3 million units as against 0.8 million units. In 1982, privately-owned housing starts were 2.0% lower, at 1.06 million, than in 1981.

New Privately Owned Housing Units Started, 1981, 1982 & Annual Projections Based on January-September Starts, 1982, 1983 (Thousands of Units, Seasonally Adjusted)

	January-September			Annual Starts		
	1983	1982	% Change 1983/1982	1982	1981	% Change 1982/1981
Privately-owned housing starts	1,298.5	759.9	+ 70.9%	1,062.2	1,084.2	- 2.0%

Source: U.S. Bureau of the Census,
Construction Reports Division.

More authorization for new privately-owned housing units were issued in the first nine months of 1983 than in the entire preceding year, according to the Census Bureau. A total of 1.2 million starts were authorized between January and September 1983 compared with 1.0 in all of 1982 and 0.7 million in the same nine month period in 1982.

New Privately Owned Housing Units Authorized, 1981, 1982 & January - September 1982, 1983 (Thousands of Units)

	January-September			Annual Authorizations		
	1983	1982	% Change 1983/1982	1982	1981	% Change 1983/1982
Privately-owned housing units authorized	1,216.7	711.1	+ 71.9%	1,000.5	985.5	+ 1.5%

Source: U.S. Bureau of the Census,
Construction Reports Division.

THE POTENTIAL MARKET

The typical U.S. household had an income of \$20,171 in 1982, according to the Census Bureau. This total includes income derived from all sources, not just wages. Households headed by a person aged 45-54 had the highest median income, \$27,985, followed by the \$26,370 received by households with a head aged 35-44.

Total Money Income of Households by Age of Householder, 1982 (Number of households as of March 1983)

	Age of Householder						
	Total	15-24	25-34	35-44	45-54	55-64	65 & over
Number of households (000)	83,918	5,695	19,104	16,020	12,354	13,074	17,671
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total money income:							
Under \$10,000	23.9	34.2	17.2	14.0	14.5	20.6	45.9
\$10,000-\$19,999	25.6	35.0	28.8	20.7	19.1	24.7	29.1
\$20,000-\$29,999	20.8	20.5	26.6	23.5	20.1	20.2	13.2
\$30,000-\$39,999	13.3	6.8	15.7	18.5	17.0	13.1	5.5
\$40,000-\$49,999	7.5	2.0	6.7	10.8	12.2	9.0	2.5
\$50,000-\$74,999	6.4	1.2	3.9	9.3	12.5	8.2	2.5
\$75,000 & over	2.5	0.3	1.1	3.2	4.6	4.1	1.2
Median income	\$20,171	\$13,816	\$21,281	\$26,370	\$27,985	\$22,075	\$11,041
Mean income	24,309	15,940	23,433	29,353	31,941	27,249	15,869

Source: U.S. Bureau of the Census,
Current Population Reports,
Consumer Income P-60 No. 140

Number of Households by Geographic Region in the U.S., 1975, 1981 (Number in Thousands)

	Total		% Distribution		% Change 1981/1975
	1981	1975	1981	1975	
Households, U.S. total	82,368	72,867	100.0%	100.0%	+ 13.0%
Northeast	17,781	16,427	21.6	22.5	+ 8.2
North Central	21,200	19,256	25.7	26.4	+ 10.1
South	27,220	23,407	33.0	32.1	+ 16.3
West	16,167	13,777	19.6	18.9	+ 17.3

Source: U.S. Bureau of the Census,
Current Population Reports,
(P-20; Nos. 311, 371).

THE POTENTIAL MARKET

Projected Number of Households in the U.S. Selected Years, 1983 - 1995 (In Thousands)

<u>1983</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>
85,895	89,705	98,950	107,528

Source: U.S. Bureau of the Census
Population Estimates & Projections
(P-25, No. 805)

RETAIL SALES

The total value at retail of all major appliances and electric housewares reaching consumers (designated "personal consumption expenditures") was reported at about \$19.6 billion in 1982, less than 1% above the 1981 total, according to the Department of Commerce.

Personal Consumption Expenditures For Major Appliances & Electric Housewares, 1979-1982 (Millions of Dollars)

<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>1979</u>
\$19,557	\$19,508	\$18,048	\$16,837

Source: U.S. Department of Commerce,
Office of Business Economics.

Based on the latest official source of information on merchandise line sales, the 1977 Census of Retail Trade compiled by the U.S. Bureau of the Census, it is estimated that personal consumption expenditures for major appliances amounted to about \$14.0 billion in 1982, electric housewares totaled about \$45.6 billion.

By Outlet Type: Major Appliances

Official data on appliance sales by outlet type is contained in the 1977 Census of Retail Trade, the latest official source of this data. The information was gathered only from stores with payrolls, but not all store types broke out their sales in detail. The following table reflects appliance sales in the major outlet types.

Reported sales of major appliances were \$9.2 billion in 1977. Department stores accounted for 34.7% of sales, followed by household appliance stores with a 30.3% share.

RETAIL SALES

By Outlet Type: Major Appliances

Reported Sales of Major Appliances by Store Type, 1977 (Includes only stores with payrolls)

	<u>Stores Reporting Sales</u>		<u>Sales</u>	
	<u>Number</u>	<u>% of Total</u>	<u>Mil. \$</u>	<u>% of Total</u>
Total reported	71,966	100.0%	\$9,179.2	100.0%
Department stores**	5,861	8.1	3,181.2	34.7
Household appliance stores	11,944	16.6	2,781.9	30.3
Mail order & direct selling establishments	5,622	7.8	794.2	8.7
Furniture & home furnishings stores	11,216	15.6	743.9	8.1
Miscellaneous general merchandise stores	3,784	5.3	419.0	4.6
Other retail outlets	33,539	46.6	1,258.7	13.6

*Each business location is separately counted as a store unit, including each unit in a multi-unit organization.

**Includes discount department stores as well as traditional department stores. Sales of catalog order desks within these stores are included in the department store data, but not sales of catalog headquarters operations, which are included in mail order house data.

Source: U.S. Bureau of the Census,
Census of Retail Trade, 1977,
Merchandise Line Sales RC 77-L.

Nearly a quarter of 1982 sales of floor care products (vacuums, carpet sweepers and floor polishers) were split among Sears, Penneys and Wards, according to Merchandising magazine estimates.

Percent of Sales of Floor Care Products By Type of Outlet, 1982

	<u>Floor Care Products</u>
Sears, Penneys, Wards	23%
Catalog showrooms	18
Discount stores	16
Department stores	15
Vacuum shops	8
Door-to-door	7
Housewares/hardware shops	4
All other stores	9

Source: Merchandising magazine
"Ninth Annual Housewares Statistical &
Marketing Report" September 1983

RETAIL SALES

By Outlet Type: Electric Housewares

Sales of small electrical appliances in major outlet types reporting sales in 1977 came to \$2.8 billion, according to the most recent census. Department stores sold \$1.2 billion of this total, or 43.8%. Miscellaneous general merchandise stores (variety stores, etc.) held a 16.2% share.

Reported Sales of Electrical Housewares

By Store Type, 1977

(Includes only stores with payrolls)

	<u>Stores Reporting Sales</u>		<u>Sales</u>	
	<u>Number*</u>	<u>% of Total</u>	<u>Mil. \$</u>	<u>% of Total</u>
Total reported	81,725	100.0%	\$2,849.4	100.0%
Department stores**	8,084	9.9	1,248.9	43.8
Miscellaneous general merchandise stores	8,141	10.0	461.2	16.2
Drug stores	12,211	14.9	223.9	7.9
Hardware stores	10,919	13.4	160.4	5.6
Food stores	4,295	5.2	128.2	4.5
Household appliance stores	2,659	3.2	120.4	4.2
Mail order & direct selling establishments	3,903	4.8	116.0	4.1
Other retail outlets	31,513	38.6	390.4	13.7

(See footnotes on preceding table on sales of major appliances by store type.)

Source: U.S. Bureau of the Census,
Census of Retail Trade, 1977,
Merchandise Line Sales RC77-L

About a quarter of all electric housewares sold in 1982 were purchased in discount stores, according to trade sources. Catalog showrooms were the second most popular outlets, with 15% of all electric housewares units sold there.

Place of Purchase of Electric Housewares, 1982

(Percent of Units Sold)

	<u>Percent of Units Sold</u>
Discount stores	24%
Catalog showrooms	15
Department stores	11
Mass merchandisers	10
Housewares/hardware stores	6
Variety stores	4
All other outlets	30
Total	100

RETAIL SALES

By Outlet Type: Appliance Stores

Sales of household appliance stores from January through August 1983 rose 9.1% versus the comparable 1982 time frame, according to the Census Bureau.

Total Sales of Household Appliance Stores, 1980-1982

	<u>1982</u>	<u>1981</u>	<u>1980</u>	<u>% Change</u> <u>1982/1981</u>
Total sales (mil. \$)	\$7,366	\$7,756	\$7,322	- 2.8%
No. of stores*	na	9,655	9,974	

Source: U.S. Bureau of the Census,
Revised Monthly Retail Sales,
County Business Patterns.

na = not available.

* Includes only stores with payrolls.

Monthly Sales Pattern in Household Appliance Store Sales, 1981, 1982

	<u>Jan.</u>	<u>Feb.</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Total</u>
1982	7.4%	7.0%	7.8%	7.6%	7.8%	8.6%	9.5%	8.3%	8.0%	8.2%	8.8%	11.1%	100.0%
1981	7.7	6.6	7.4	7.5	7.6	8.7	9.1	8.2	8.2	8.9	9.3	10.9	100.0

Source: Based on U.S. Bureau of the Census,
Revised Monthly Retail Sales BR-13-82S

By Outlet Type: Department Stores

Sales of small electrical appliances in 1982 increased 3.2% in the typical department store with sales over \$1 million, according to the National Retail Merchants Association. Major appliance sales fell 1.9% and vacuums and floor polisher purchases were up 4.3% compared with a 3.8% sales rise for all upstairs departments.

RETAIL SALES

By Outlet Type: Department Stores

Merchandising & Operating Results of Major Appliance & Small Electrical Appliance Departments in Department Stores, 1982 (Median results in stores with total sales over \$1 million)

	<u>Total Upstairs Store (103*)</u>	<u>Major Appliances (44*)</u>	<u>Vacuums & Floor Polishers (12*)</u>	<u>Small Electrical Appliances (75*)</u>
Net sales, % change from last year	+ 3.8%	- 1.9%	+ 4.3%	+ 3.2%
Sales, % of merchandise division**	--	26.0	7.0	31.3
Sales, % of total store sales	90.7	1.1	0.3	1.1
\$ sales per square foot of selling space (main or largest selling unit)	\$109.0	\$205.0	\$281.5	\$111.0
Cumulative markon, %	48.4%	27.2%	30.8%	28.1%
Gross margin, % of sales (including cash discounts)	41.9	22.4	23.4	21.6
Markdowns, % of sales (including employee discounts)	14.4	6.8	12.0	7.8
Number of stock turns	2.7	3.2	2.8	2.4

*Number in parentheses refers to the number of reporting firms in each category

**The merchandise division for all three departments is appliances and utility equipment.

Source: National Retail Merchants Association,
Merchandising & Operating Results of 1982.

By Outlet Type: Home Furnishings Stores

An annual survey conducted among member retailers of the National Home Furnishings Association found that washers and dryers were carried in 29.2% of the surveyed furniture-home furnishings stores. Refrigerators, freezers, stoves and ranges were sold in 28.6% of these outlets with air conditioners carried in 22.6%.

Approximately 77% of the 21,000 square feet of space in the typical home furnishings store surveyed was used for selling. Appliances were given 1.9% of the sales space and generated \$132.57 in sales per square foot, the highest ratio in the store. Median sales per square foot for all items was \$67.09.

RETAIL SALES

By Outlet Type: Home Furnishings Stores

Space Allocation & Appliance Sales Per Square Foot In Home Furnishings Stores, 1982 (Median Results)

	<u>% of Store Selling Space</u>	<u>Sales Per Square Foot of Selling Space</u>	
		<u>Appliances</u>	<u>Total Store</u>
Total firms	1.9%	\$ 132.57	\$ 67.09
By Sales Volume:			
Under \$500,000	2.6	84.21	30.00
\$500,000 - \$1 million	1.3	na	46.52
\$1 million - \$3 million	1.1	152.52	82.14
Over \$3 million	2.5	132.57	93.41

na = not available.

Source: National Home Furnishings Association,
Annual Operating Experiences Report 1982
August 1983

By Area

Estimated Retail Sales of Major Appliances In 25 Leading Metropolitan Areas, 1981

<u>Rank</u>	<u>Metropolitan Area</u>	<u>Major Appliance Sales (Mil. \$)</u>		<u>Sales in FHA Stores* (Mil. \$)</u>	
		<u>Total</u>	<u>% of U.S. Total</u>	<u>Total</u>	<u>% of U.S. Total</u>
1	Los Angeles-Long Beach	\$ 452.5	9.9%	\$ 185.3	9.8%
2	Chicago	392.3	8.5	163.7	8.7
3	New York	319.0	6.9	175.7	9.3
4	Boston-Lowell-Brockton-Lawrence	306.6	6.7	60.2	3.2
5	Detroit	268.0	5.8	137.0	7.2
6	Houston	251.0	5.5	75.6	4.0
7	Philadelphia	249.9	5.4	153.3	8.1
8	Dallas-Fort Worth	243.3	5.3	97.8	5.2
9	San Francisco-Oakland	170.8	3.7	61.3	3.2
10	Washington, D.C.	163.2	3.5	57.5	3.0
11	Anaheim-Santa Ana-Garden Grove	145.4	3.2	45.0	2.4
12	Nassau-Suffolk	140.7	3.1	81.5	4.3
13	St. Louis	137.5	3.0	59.8	3.2
14	Minneapolis-St. Paul	130.6	2.8	37.3	2.0
15	San Diego	128.3	2.8	46.0	2.4
16	Pittsburgh	122.7	2.7	53.5	2.8

(continued)

RETAIL SALES

By Area

Estimated Retail Sales of Major Appliances In 25 Leading Metropolitan Areas, 1981 (continued)

Rank	Metropolitan Area	Major Appliance Sales (Mil. \$)		Sales in FHA Stores* (Mil. \$)	
		Total	% of U.S. Total	Total	% of U.S. Total
17	Denver-Boulder	\$ 117.7	2.6%	\$ 58.9	3.1%
18	Seattle-Everett	116.4	2.5	48.2	2.5
19	Miami	114.2	2.5	53.3	2.8
20	Atlanta	113.5	2.5	24.6	1.3
21	Baltimore	113.2	2.5	44.2	2.4
22	Portland, Or.	104.2	2.3	57.1	3.0
23	Tampa-St. Petersburg	102.7	2.2	36.4	1.9
24	Phoenix	94.0	2.0	40.8	2.2
25	Cleveland	93.8	2.0	36.6	1.9
25 Metropolitan areas, total		\$ 4,591.5	33.2	\$ 1,890.6	33.0
U.S. Total		13,815.9	100.0	5,733.1	100.0

*Furniture, home furnishings and appliance stores that sell goods for furnishing the home, including furniture, floor coverings, draperies, glass & chinaware in addition to household appliances.

Source: Based on Sales & Marketing Management
"1982 Survey of Buying Power"
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RETAIL ADVERTISING

Percent of Year's Total Newspaper Ad Linage Done By Retailers Each Month, 1981

	<u>Clothes Dryers</u>	<u>Clothes Washers</u>	<u>Refrigerators</u>	<u>Room Air Conditioners</u>
January	9.0%	9.0%	7.5%	3.2%
February	8.0	8.3	6.7	2.8
March	8.4	8.0	8.0	5.2
April	9.9	9.2	7.9	7.7
May	8.5	8.9	10.5	15.1
June	7.6	7.3	9.8	23.4
July	8.3	8.4	12.1	26.5
August	8.4	8.2	9.3	9.8
September	7.5	8.3	8.3	2.5

(continued)

RETAIL ADVERTISING

Percent of Year's Total Newspaper Ad Linage Done By Retailers Each Month, 1981 (continued)

	<u>Clothes Dryers</u>	<u>Clothes Washers</u>	<u>Refrigerators</u>	<u>Room Air Conditioners</u>
October	9.2%	9.8%	7.8%	1.3%
November	9.3	8.8	7.3	1.5
December	5.9	5.8	4.8	1.0

Source: Advertising Checking Bureau,
Neustadt Reports Division based on
newspaper advertising in Chicago,
Philadelphia, Cincinnati, Cleveland,
Dallas, Los Angeles & Washington, D.C.

CONSUMER PRICES

In the twelve month period ended August 1983, the consumer price index for household appliances rose only 2.1%. Major appliances prices tracked by the Bureau of Labor Statistics were below this level over the same period, with the exception of laundry equipment. This category rose at a slightly faster 3.4% pace.

Consumer Price Indexes For Specified Major Appliances, 1981, 1982 & August 1982, 1983

	<u>August</u>			<u>Annual Averages</u>		
	<u>1983</u>	<u>1982</u>	<u>% Change 1983/1982</u>	<u>1982</u>	<u>1981</u>	<u>% Change 1982/1981</u>
All items	300.3	292.8	+ 2.6%	289.1	272.4	+ 6.1%
Household appliances	188.0	184.1	+ 2.1	183.1	172.6	+ 6.1
Refrigerators & home freezers	191.4	187.4	+ 2.1	187.3	173.5	+ 8.0
Laundry equipment (12/77 = 100)	142.0	137.3	+ 3.4	136.8	127.6	+ 7.2
Other household appliances (12/77 = 100)	125.4	124.3	+ 0.9	123.1	117.9	+ 4.4
Stoves, dishwashers, vacuums & sewing machines (12/77 = 100)	123.7	122.7	+ 0.8	122.2	117.3	+ 4.2
Office machines, small electric appliances & air conditioners 12/77 = 100)	127.2	126.0	+ 0.9	124.2	118.5	+ 4.8

Source: U.S. Bureau of Labor Statistics

CONSUMER BUYING HABITS

Major Appliances & Small Electric Appliances

A Business Week/Harris Poll of 1,254 persons across the U.S. indicated that consumers will be more willing to spend money on major appliances and small electric appliances in the next two years than they did in the last two years. Only 13% of respondents said they will cut spending in the next 12 months compared with 25% who reduced spending during the year prior to the survey.

Outlook for Consumer Spending on Major Appliances, Small Appliances & New Homes

	<u>Bought in the Past Two Years</u>	<u>Will Buy in the Next Two Years</u>
Small appliances	42%	47%
Major appliance	28	32
New home	8	13

Source: Louis Harris & Associates,
Business Week October 17, 1983

Major Appliances

Better Homes & Gardens magazine regularly polls the members of their Consumer Panels on major appliances and electric housewares. Panel members are subscribers to BH&G and represent a more upscale market than the typical U.S. household. Over 50% of Panel households earn more than \$25,000 and 8 out of 10 own a house.

In September 1981, 442 members of the 500 person panel responded to general questions about major appliances. Almost all of the respondents felt that quality was either very or somewhat important, more so than price.

The Importance of Specified Qualities in the Purchase of Major Appliances

	<u>Very Important</u>	<u>Somewhat Important</u>	<u>Neither Important Nor Unimportant</u>	<u>Somewhat Unimportant</u>	<u>Very Unimportant</u>	<u>No Answer</u>
Price	54.8%	40.5%	2.5%	0.7%	--	1.5%
Quality	93.9	5.0	--	--	0.5%	0.6
Financing	10.8	20.4	25.6	9.3	27.4	6.5
Brand reputation	55.0	34.2	7.2	1.4	0.2	2.0
Service	76.9	17.9	2.5	1.1	0.5	1.1
Looks	34.9	49.3	11.5	2.7	0.2	1.4
Energy efficiency	64.0	29.6	4.1	0.7	0.5	1.1
Other	3.2	0.9	--	--	0.2	95.7

Source: Better Homes & Gardens Magazine

CONSUMER BUYING HABITS

Electric Housewares

Attitudes of consumers toward housewares products were examined in a 1983 study commissioned by the National Housewares Manufacturers Association. The sample was drawn from a panel of nationally representative households and of the 2,400 questionnaires sent out, 1,940 responses were received.

Price was the most important factor when considering a small electrical appliance purchase to 37% of those questioned. The brand name was most important to 31% of respondents.

Factors Considered Most Important in the Purchase of Small Electrical Appliances, 1983

<u>Most Important Factor</u>	<u>% of Respondents</u>
Price	37%
Brand name	31
Selection	12
Warranty	10
Color/design	6
Sizes	3

Source: National Housewares Manufacturers Association
Survey of Attitudes and Purchase Habits
of Consumers of Housewares Products

NOTE: Small electrical appliances include coffee makers, irons, humidifiers, food mixers, vacuum cleaners, hair dryers, electric blankets, electric toothbrushes, etc.

Ownership of Specified Small Electrical Appliances, 1983

	<u>% of Respondents</u>
Electric blender	87%
Drip coffee maker	61
Toaster oven	56
Food processor	30
Microwave oven	38
Expect to own a microwave oven in next 2 years	17

Source: NHMA
Survey of Attitudes and Purchase Habits
of Consumers of Housewares Products

CONSUMER BUYING HABITS

Electric Housewares

Expected Durability of Small Electrical Appliances

	<u>% of Respondents</u>
Expect to replace every:	
2 years	9%
5 years	47
10 years	30
More than 10 years	14

Source: NHMA

Survey of Attitudes and Purchase Habits
of Consumers of Housewares Products.

Discount stores were the overwhelming favorite of consumers in the purchase of air treatment products. Almost a third of consumers bought personal care items in discount stores with catalog showrooms a very strong second choice.

Percent of Sales of Kitchen Electrics, Personal Care & Air Treatment Products By Type of Outlet, 1982

	<u>Kitchen Electrics</u>	<u>Personal Care</u>	<u>Air Treatment*</u>
Discount stores	29%	32%	38%
Catalog showrooms	23	31	12
Sears, Penneys, Wards	12	7	18
Department stores	12	9	10
Housewares/hardware stores	6	5	12
Drug stores	4	13	5
All other stores	14	3	5

Source: Merchandising Magazine

"Ninth Annual Housewares Statistical &
Marketing Report" September 1983

*This category includes fans, portable heaters, humidifiers, vaporizers and air purifiers.

FAIRCHILD FACT FILES AVAILABLE FOR 1983

COATS, SUITS, RAINWEAR, AND FURS (WOMEN'S, MISSES' AND JUNIORS'): Details number of manufacturers by employment size, cuttings, and value of shipments. Also covered at the industry level are price trends and imports/exports. At the retailer level, data is presented on estimates of retail volume, merchandising and operating results, and seasonal patterns in advertising. Also focuses on consumer buying habits and plans.

CONSUMER MARKET DEVELOPMENTS: Provides a detailed view of consumers in the U.S., including population by age, personal income, the labor force, employment and earnings, households and living arrangements. Also covers trends in consumer prices, in personal consumption expenditures by product classification and in retail sales by store types, and the outlook for consumer markets based on current economic trends. (1982 Edition available now -- 1983 Edition will be available in January, 1984)

DEPARTMENT STORE SALES: Covers sales of department stores, and the number of stores operated, listed by geographic region and state based on buying head-quarter location. Also lists branch store sales, where available. Sales information on major general merchandise/apparel retail chains, which are listed alphabetically, and a list of department stores with sales of \$50 million or more, are included. (1982 Edition available now -- 1983 Edition will be available in December, 1983)

DRESSES (WOMEN'S, MISSES' AND JUNIORS'): Statistics on the dress industry, including trends in the number of manufacturers, and in production and shipments. Also data on fabric types and manufacturers' price lines and shipments by region of the country. Includes estimates on retail sales and data on the consumer market in terms of important demographic data.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Information on a wide range of fashion accessories for men and women, including jewelry, watches, gloves, belts, handbags, small leather goods, luggage, neckwear, hats. Includes key information at manufacturer level, as well as available retailer and consumer data. Also covers important fashion developments.

FOOTWEAR (MEN'S, WOMEN'S AND CHILDREN'S): A statistical summary of the U.S. footwear industry and the footwear markets. Covers domestic production and shipments, as well as imports. Provides retail sales and merchandising statistics and findings in a comprehensive consumer survey conducted by Footwear News Magazine. (\$15.00)

HOME TEXTILES: Information on the industry includes the latest data on number of manufacturers, production and shipments for a wide range of products, including bed linens, towels, blankets and comforters, slip covers, pillows, curtains and draperies. Trends in merchandising, departmental operations and consumer patterns are also covered.

HOSIERY/LEGWEAR (MEN'S, WOMEN'S AND CHILDREN'S): A comprehensive report on these industries at the mill, retailer and consumer levels. Included are details on production and shipments, retail sales by type of outlet and on patterns in consumer spending in terms of major demographic characteristics.

HOUSEHOLD FURNITURE AND BEDDING: Contains U.S. industry-wide data on quantity and value of manufacturers' shipments of furniture and bedding (mattresses and dual-purpose sleep furniture). Also covers information on the geographic location and size of manufacturers. Retail information includes sales by store type, trends in furniture styles and materials and market demographics. Features results of a consumer survey on furniture and bedding buying habits.

INFANTS', TODDLERS', GIRLS' AND BOYS' WEAR: Manufacturer data spotlights production, value of shipments, number of manufacturers, employment in the industry by company size, price trends. At the retailer level, data focuses on sales share by type of outlet and on operating ratios in department and specialty stores. Also covers data on purchases of children's wear by price line and season.

INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR (WOMEN'S, MISSES' & JUNIORS'): Data on production and shipments, tracing market shifts in response to fashion changes. Imports are covered, retail trends and merchandising ratios, and data on consumer purchases by price point, store type and month. (September)

MEN'S FURNISHINGS AND WORK WEAR: Includes information on number of manufacturers, production and shipment figures on shirts, underwear, nightwear, neckwear, hats, etc., size of firms, imports and exports. Also provides data at the retail level, including sales and merchandising trends, operating ratios, and sales share by type of outlet.

MEN'S SPORTSWEAR, CASUAL WEAR AND JEANS: The wide variety of men's wear items included in this broad category are covered from available information on the industry at the manufacturer, retailer and consumer level. Included is information on production and shipments, imports, exports, market trends, retail sales and consumer buying practices. Trendy data, such as developments in Western wear, designer labels, fashion jeans and active wear, are included.

MEN'S TAILORED CLOTHING/SEPARATES AND RAINWEAR: Manufacturer level profiled by production value of shipments, employment, size of firms. Imports from key foreign sources by unit and dollar value are covered. Data is also presented on retail sales, merchandising and consumer buying habits.

PERSONAL ELECTRONICS: A statistical summary of the market for electronic equipment designed for individuals. Product categories include televisions, radios, stereos, personal stereos, home computers, videosystems and videogames. Data is presented on both the manufacturer and the retailer level. Also includes a section on consumer buying habits. (Special Fact File for 1983, \$15.00)

SOFT SURFACE FLOOR COVERINGS: Trends in the number of manufacturers, on production and value of shipments of major types of soft surface floor coverings, and foreign trade, are covered in this report. Retailing information includes departmental merchandising and operating results, estimated volume by type of outlet and trends in consumer buying.

THE SPORTS/FITNESS/LEISURE MARKETS: Covers developments in the fast-growing markets for sports facilities and equipment, for footwear and apparel designed not only for serious sports participants but those who like the "look" for leisure wear, and for products involved in life styles related to interest in sports and in physical fitness. (Special Fact File for 1982, \$15.00)

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THE TEXTILE/APPAREL INDUSTRIES: Industry overview, providing statistics on fibers and fabrics as well as finished goods. Includes information on industry size, concentration of sales by mill/manufacturer size, production and shipments by U.S. mills, as well as exports and imports. Covers capital expenditures and data on mill machinery. (November)

TOILETRIES, BEAUTY AIDS, COSMETICS AND FRAGRANCES: A detailed view of the U.S. industry covering products for both the female and male markets. Includes latest available industry-wide statistics and projections, as well as data on leading manufacturers in various product categories. Consumer expenditures, buying habits and usage of various product types are highlighted, as well as data on sales by outlet type and advertising expenditures by major producers.

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**Market Research Division
Fairchild Publications, New York**

The Textile/Apparel Industries

FAIRCHILD FACT FILE

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THE FIBER/TEXTILE/APPAREL INDUSTRIES

General Trends

The precipitous downhill slide in the fiber/textile/apparel industries noted in 1982 came to a halt in 1983, and by the fourth quarter figures for the year on production, shipments and consumption were expected to show a modest gain. With inventories lean, the inflation rate stable and demand rising, industry executives expect 1983 to be a year of adjustment.

The crucial issue of imports, and the world situation in relation to expanding protected textile/apparel production abroad, do not auger well for the long-term health of the U.S. textile/apparel industries. Current figures show apparel imports dominating more than 30% (on a unit basis) of the apparel market, with this penetration expected to grow to more than 50% by the early 1990's.

A report on The Competitive Status of the U.S. Fibers, Textiles and Apparel Complex, sponsored by the National Research Council and published in 1983, assessed the future international competitiveness of the U.S. textile complex. In some specific segments, notably man-made fiber and yarn production, the U.S. industry continues to hold a competitive position. Various parts of the textile segment fall somewhere in between.

Most of the larger firms in the U.S. textile complex are taking steps to increase their competitiveness; however, these moves are not seen as resulting in increased domestic employment or even in maintaining existing employment levels. In sum, the panel doing the study projected a more internationally competitive, but smaller (in terms of number of firms and workers) U.S. textile complex in the future, almost regardless of any changes in government policy.

GENERAL STATISTICS

The fiber/textile/apparel complex is composed of several major segments and processes: fibers (man-made and natural), fabrics (woven, knit, and non-woven) and three major end-uses of fabrics--apparel, home furnishings and industrial. Then there are related processes, including designing, dyeing, printing and finishing, which are either separate segments themselves (i.e. done by independent companies) or within the vertically integrated textile companies. While the major segments of the complex are closely linked together, and for many purposes can be looked at as a whole, in some aspects, particularly in relation to the matter of imports, the segments are separate entities, with distinctive competitive pressures which seem to be growing, and distinct marketing techniques.

As of 1981 there were approximately 27,000 manufacturing companies in the American fiber/textile/apparel complex, with at least one located in every state. The latest industry data compiled by the government is the 1981 Annual Survey of Manufactures. The survey is conducted by the Census Bureau among a representative sample of manufacturers to provide for intercensal years--when a complete census of all manufacturers is undertaken--estimates on key manufacturing activity for industry groups. (The next complete Census report will cover the year 1982).

Estimates for 1981 and 1982 based on the annual surveys are covered in the following tables.

GENERAL STATISTICS

General Statistics by Industry Classification

<u>Industry</u>	<u>1981</u>	<u>1980</u>	<u>1977</u>
CELLULOSIC MAN-MADE FIBERS (SIC 2823*):			
Number of companies	na	na	20
Number of establishments	25	24	25
With 20 employees or more	10	12	10
Total employees (thous.)	15.6	16.1	16.0
Production workers (thous.)	12.2	12.7	12.6
Payrolls, total (mil. \$)	\$ 299.8	\$ 279.0	\$ 213.7
Value added by manufacture (mil. \$)**	504.8	474.6	327.2
Cost of materials (mil. \$)	929.4	877.8	683.2
Value of industry shipments (mil. \$)***	1,424.0	1,357.3	1,002.8
Capital expenditures, new (mil. \$)	111.8	83.2	29.4
ORGANIC FIBERS, NONCELLULOSIC (SIC 2824*):			
Number of companies	na	na	37
Number of establishments	60	62	66
With 20 employees or more	53	54	58
Total employees (thous.)	62.6	65.3	74.0
Production workers (thous.)	45.7	47.7	54.6
Payrolls, total (mil. \$)	\$1,351.0	\$1,285.3	\$1,086.1
Value added by manufacture (mil. \$)**	3,894.4	3,312.5	2,804.4
Cost of materials (mil. \$)	5,804.2	5,181.8	3,618.1
Value of industry shipments (mil. \$)***	9,602.2	8,529.9	6,379.7
Capital expenditures, new (mil. \$)	444.5	503.2	338.5
TEXTILE MILL PRODUCTS INDUSTRY (SIC 22*)			
Number of companies	na	na	5,733
Number of establishments	6,168	6,302	7,202
With 20 employees or more	3,754	3,917	4,131
Total employees (thous.)	785.2	816.1	875.7
Production workers (thous.)	678.5	706.2	764.6
Payrolls, total (mil. \$)	\$9,574.0	\$9,228.1	\$7,881.4
Value added by manufacture (mil. \$)**	19,463.2	18,983.3	16,104.5
Cost of materials (mil. \$)	31,061.0	28,605.8	24,753.2
Value of industry shipments (mil. \$)***	50,262.2	47,255.0	40,550.5
Capital expenditures, new (mil. \$)	1,724.8	1,488.3	1,223.5
APPAREL INDUSTRY, EXCLUDING OTHER FABRICATED TEXTILES (PART OF SIC 23*)			
Number of companies	na	na	17,310
Number of establishments	21,890	22,067	19,777
With 20 employees or more	10,655	11,052	10,243
Total employees (thous.)	1,251.1	1,307.3	1,149.1
Production workers (thous.)	1,078.6	1,129.5	1,001.1
Payrolls, total (mil. \$)	\$11,804.6	\$11,354.3	\$ 7,951.7
Value added by manufacture (mil. \$)**	25,639.9	23,425.5	16,211.9
Cost of materials (mil. \$)	24,657.2	22,690.7	16,067.0
Value of industry shipments (mil. \$)***	49,822.9	45,781.8	32,031.9
Capital expenditures, new (mil. \$)	646.0	607.8	340.3

(continued)

GENERAL STATISTICS

General Statistics by Industry Classification
(continued)

	1981	1980	1977
MISCELLANEOUS FABRICATED TEXTILE PRODUCTS (SIC 239*)			
Number of companies	na	na	6,444
Number of establishments	5,783	5,857	6,728
With 20 employees or more	1,745	1,766	1,689
Total employees (thous.)	160.2	160.2	185.2
Production workers (thous.)	132.6	132.6	155.5
Payrolls, total (mil. \$)	\$1,945.9	\$1,945.9	\$1,706.9
Value added by manufacture (mil. \$)**	4,231.3	4,231.3	3,459.4
Cost of materials (mil. \$)	5,348.5	5,348.5	4,798.5
Value of industry shipments (mil. \$)***	9,519.1	9,519.1	8,213.2
Capital expenditures, new (mil. \$)	149.7	149.7	116.4

na - not available

* Industry definitions, as classified in the official Standard Industrial Classification System: Cellulosic Man-made Fibers (SIC 2823) and Organic Man-made Fibers (SIC 2824) are parts of the Chemical & Allied Products Industry (SIC 28).

Textile Mill Products Industry (SIC 22) includes mills engaged in any of the following operations: (1) preparation of fiber and manufacture of yarn, thread, braids, twine, cordage; (2) manufacture of knit and woven fabrics and of carpets and rugs from yarn; (3) dyeing and finishing operations; (4) coating, waterproofing, special treating of fabrics; (5) the integrated manufacture of knit apparel and other finished articles from yarn; (6) the manufacture of felt goods, lace goods, non-woven fabrics and miscellaneous textiles.

Apparel & Other Textile Products (SIC 23) (the cutting-up and needle trades) includes establishments producing clothing and fabricated products by cutting and sewing purchased woven or knit textile fabrics and related materials, such as leather, plastics, fur, etc. Besides clothing, the industry includes manufacturers of curtains and draperies, household textiles, canvas products and other fabricated textiles, which are covered by the three digit code 239. As noted, knitwear made in knitting mills (rather than cut and sewed) is classified in SIC 22.

** The value added by manufacture is derived by subtracting the cost of materials, supplies, energy, contract work, etc., from the value of shipments of products manufactured plus receipts for services rendered. The result is then adjusted upward with the addition of merchandising costs. The value added figure avoids the duplication in the value of shipments which results from the use of products of some establishments as materials by others.

(footnotes continued)

GENERAL STATISTICS

(Footnotes continued)

*** The value of industry shipments includes for all establishments classified within each industry (a) the value of products primary to the industry; (b) the value of all secondary products which are primary to other industries; and (c) miscellaneous receipts (contract work, etc.) and resales. The value of shipments of a product basis, including the output of both primary and secondary producers, is covered in the section on PRODUCT SHIPMENTS.

Source: U.S. Bureau of the Census, Census of Manufactures, 1977; Annual Survey of Manufactures, 1980, 1981; County Business Patterns, 1980, 1981 (number of establishments).

Number of Companies & Mills/Plants in Specified Industries

(Classified on the Basis of Primary Products) and Value of Industry Shipments

	Number			Industry Shipments	
	Companies	Mills/Plants		(Mil. \$)*	
	1977	1981**	1977	1981	1977
Fibers (man-made)					
Fibers, cellulosic man-made	20	25	25	\$1,424.0	\$1,002.8
Organic fibers, noncellulosic	37	60	66	9,602.2	6,379.7
Textile mill products	5,733	6,618	7,202	50,262.2	40,550.5
Yarn & thread mills	529	680	798	7,693.9	6,114.4
Weaving mills, cotton	211	286	314	5,284.8	4,431.4
Weaving mills, man-made fibers, silk	267	460	449	8,725.7	6,325.9
Weaving/finishing mills, wool	153	130	165	844.2	583.3
Narrow fabric mills	291	296	335	941.5	682.9
Knitting mills	2,318	2,150	2,617	10,981.4	9,470.0
Textile finishing, except wool	602	653	678	4,769.2	3,994.3
Floor covering mills	533	492	592	5,909.2	4,774.5
Miscellaneous textile goods	1,150	913	1,254	5,085.5	4,173.9
Apparel, other textile products	23,754	21,890	26,505	49,822.9	40,245.1
Men's & boys' clothing (suits, coats)	619	551	737	3,024.2	2,767.5
Men's & boys' furnishings, nightwear, underwear, workwear, etc.	2,121	2,536	3,013	12,574.9	10,003.2
Women's outerwear	11,121	7,859	11,834	16,093.0	12,720.3
Women's & children's underwear, nightwear	693	753	878	3,216.9	2,430.8
Children's outerwear	844	785	1,002	2,143.1	1,717.3
Hats, caps, millinery	381	352	409	634.7	359.5
Fur goods	620	477	620	533.6	383.4
Miscellaneous apparel	1,207	1,035	1,284	2,083.4	1,649.5
Miscellaneous fabricated textile products	6,444	5,783	6,728	9,519.1	8,213.2

* Value of shipment totals include for all establishments classified in the industry (a) value of products primary to the industry; (b) value of all secondary products which are primary to other industries; and (c) value of miscellaneous receipts (contract work, etc.) and resales.

** From County Business Patterns, 1981.

Source: U.S. Bureau of the Census, Annual Survey of Manufactures, 1981; Census of Manufactures, 1977.

GENERAL STATISTICS

Employment & Earnings

Current information on industry employment and earnings is developed by the Bureau of Labor Statistics, U.S. Department of Labor, which differs from figures reported by the Census Bureau in the surveys of manufactures due to differences in methods used in compiling the data.

The total output of the U.S. textile/apparel complex has continued to expand while direct employment and average number of hours worked have been on the decline. Overall, the complex is labor-intensive, with about 85% of employment classified as production workers compared with a U.S. average for all manufacturers of 68% last year.

Within the complex, apparel is the most labor intensive and fragmented, the least capital intensive. Constant changes in fashions, in fabric weights and the many separate sewing operations for a single garment have made it difficult for the apparel industry to automate or to adopt other technological advances to the extent underway in the fiber/textile segments. However, as larger firms take hold in the apparel industry, technical knowledge and capital expenditures are gaining.

Overall, about 2 million employees work in the fiber/textile/apparel complex, or about 10.6% of total employment in U.S. manufacturing in 1983. A few years ago the complex accounted for one in eight manufacturing employees; however, it is still the top industrial complex in terms of number of production workers. Women accounted for 81% of all workers in the apparel industry in 1982 and 22% of those in the textile industry. Combined, textile/apparel manufacturing employed 22% of all women in manufacturing industries last year. The high level of employment of women, plus the movement of employment toward the South where wages are generally lower, as well as the decline in demand for domestic products, has resulted in the relatively low average earnings in textile and apparel manufacturing.

Total employment in the textile mill products industry in 1982 averaged 750,100, continuing the steady decline from a peak of 1,332,000 in 1948. Production workers numbered 642,600, down 9.8% compared with 1981. In the apparel and related products industry, total employment averaged 1,163,700, down 12.6% from the 1978 level.

GENERAL STATISTICS

Employment & Earnings

Production workers averaged 983,800, 7.1% below the 1981 level. Overall, in all manufacturing operations in the U.S., production worker employment averaged 8.8% below the 1981 level in 1982.

Employment has picked up moderately in 1983 with an upturn in the economy. In August, the seasonally adjusted employment total for the textile mill products industry was reported by the BLS at 754,000, up 2.4% over the year-ago total but 9.7% below the pre-recession peak of 835,000 employees in July 1981. Employment levels at a seasonally adjusted rate in the apparel and related products industry lost some ground in August compared with July 1983, and were reported at 1,178,000. This was 2.3% above the August 1982 figure.

Unemployment rates have been improving. In September 1983, according to the BLS, the rate in the apparel industry fell to 9.6%, the lowest level since March 1980; in the textile industry the unemployment rate was reported at 8.6%, the lowest level since the 8.5% rate in July 1981. Overall, the unemployment rate for the total civilian work force was 9.3% in September.

Employment & Earnings In Fiber/Textile/Apparel Industries, 1982, 1980

Industry	Annual Average Employment (Thousands)		Production Workers			
	1982	1980	Average Weekly Earnings		Average Weekly Hours	
			1982	1980	1982	1980
Organic fibers, noncellulosic*	78.5	93.5	\$377.50	\$315.79	40.0	40.8
Textile mill products industry	750.1	847.7	218.63	203.31	37.5	40.1
Selected components:						
Weaving mills, cotton	128.7	150.0	223.94	215.78	37.2	41.1
Weaving mills, man-made fibers	95.6	116.2	229.77	216.77	37.3	40.9
Knitting mills	203.6	220.4	198.01	182.31	36.6	38.3
Textile finishing, exc. wool	65.5	73.7	240.48	219.91	38.6	40.8
Yarn & thread mills	110.7	125.0	204.78	190.40	37.3	39.4
Apparel & other textile products	1,163.7	1,263.5	180.44	161.42	34.7	35.4
Selected components:						
Men's & boys' suits & coats	74.8	77.2	209.75	192.24	34.9	36.0
Men's & boys' furnishings	323.5	361.8	168.26	153.55	35.2	36.3
Women's outerwear	386.9	416.7	169.29	153.51	33.0	33.3
Women's, children's undergarments	83.5	89.5	162.97	149.40	34.6	36.0
Children's outerwear	62.1	64.4	166.85	151.20	35.2	36.0
Misc. apparel, accessories	49.5	56.0	183.73	161.73	35.4	36.1
Misc. fabricated textile prods.	164.0	175.6	231.62	192.51	37.6	37.6

* Data not reported for cellulosic fiber producers.

Source: U.S. Department of Labor,
Bureau of Labor Statistics,
Employment & Earnings (supplement) July, 1983

GENERAL STATISTICS

Ranking of the Textile & Apparel Industries

The fiber/textile/apparel complex is the nation's largest industrial employer. In terms of dollar volume, because of duplication in value of shipments within the complex--with shipments of some producers (fibers, for example) used in the manufacture of other products (fabrics)--overall rank is best determined on the basis of value added by manufacture within each segment of the complex.

In the following table, adjustments have been made in the composition of the textile apparel industries as defined by the government in order to arrive at a more precise measurement on an end-use basis. Specifically, man-made fibers have been taken from the chemical industry and are included in the textile mill products industry; knitwear has been transferred from textile mill products to apparel; household textiles and miscellaneous fabricated textiles have been separated from apparel and added to textiles. This has resulted in some unavoidable, but relatively small, duplication in the textile industry's value of shipments.

The Rank of Leading U.S. Industries Based on Value Added by Manufacture, 1981

Industry	Value Added by Manufacture**		Value of Industry Shipments	
	Bil. \$	Rank	Bil. \$	Rank
Machinery, except electric	\$111.4	1	\$201.5	4
Transportation equipment	82.9	2	205.2	3
Food & kindred products	80.8	3	272.1	1
Chemicals & allied products	80.0	4	180.5	5
Electric, electronic equipment	79.7	5	140.2	7
Fabricated metal products	61.6	6	123.7	8
Primary metal industries	49.6	7	141.6	6
Printing & publishing	49.4	8	77.3	10
Paper & allied products	32.4	9	80.2	9
Instruments & related products	31.5	10	48.3	14
Petroleum & coal products	26.7	11	224.1	2
Rubber & misc. plastic products	26.0	12	53.2	11
Apparel, incl. knitwear	25.6	13	49.8	13
Stone, clay & glass products	24.9	14	48.0	15
Textile mill products, incl. fibers & misc. fabricated textiles	19.4	15	50.3	12

**This measure of manufacturing activity is derived by subtracting the cost of materials, supplies, fuel, etc., and contract work from the value of product shipments, plus receipts for services. This calculation is adjusted for value of merchandising operations as well as inventories.

Source: Based on U.S. Bureau of the Census,
Annual Survey of Manufactures, 1981.
April 1983.

The aggregate value added by manufacture among manufacturers classified in fiber/textiles/apparel amounted to \$45.0 billion in 1981, ranking this industrial complex ninth among all U.S. manufacturing industries based on this measurement.

INDUSTRY CONCENTRATION

The fiber/textile/apparel industrial complex is the nation's largest employer in manufacturing, accounting for about one out of 10 industrial employees. Although it is made up of many small and medium-sized companies and relatively few giants, these giants--particularly in the textile industry--represent a large share of shipments.

According to the American Textile Manufacturers Institute there are approximately 5,000 textile firms (SIC 22), not including man-made fiber producers in the country, of which the largest 50 firms account for 50% of the industry's total output. Of the 6,168 plants classified in the industry in 1981, only 14% had 250 or more employees, but these large plants accounted for 67% of total industry employment.

Apparel industry has traditionally been made-up of small, frequently family-operated companies with less than 100 employees, producing narrow product lines. The industry is, however, undergoing changes. The larger firms' share of output has been increasing; the capital and knowledge intensity of the industry has widened and product lines are expanding.

Of the 21,800 plants in the apparel and related textile products industry in 1981, 73% had under 50 employees. However, there is a great turnover rate among the smaller manufacturers, and they are accounting for a decreasing share of the total industry pie. Competitive pressure from imports is forcing consolidation and greater efficiency.

According to an apparel industry analysis by Kayser-Roth, in 1982 about 20% of total industry volume was in the hands of very large companies doing more than \$100 million. These large companies accounted for only about 15% of all companies in the industry. It was estimated that by 1990, these same firms would control over 50% of apparel industry volume. (*Women's Wear Daily*, Feb. 1, 1983)

A detailed report on concentration ratios in manufacturing was compiled as a by-product of the Census of Manufactures, 1977 and findings were reported by the Census Bureau in May 1981. Selected data from this report is covered in the following table.

Concentration of Industry Shipments & Receipts In Major Components
Of The Fiber/Textile/Apparel Complex, 1977

	Industry Shipments (Mil. \$)	Share of Total			
		4 largest companies	8 largest companies	20 largest companies	50 largest companies
<u>Man-Made Fiber Industry</u>					
Organic fibers, non-cellulosic	\$6,379.7	78.1%	90.3%	99.3%	100.0%
<u>Textile Mill Products Industry</u>					
Weaving mills, cotton	4,431.2	38.6	58.1	79.0	94.9
Weaving mills, man-made & silk	6,325.9	41.7	58.0	75.6	90.2
Weaving & finishing mills, wool	583.3	30.7	46.7	74.1	95.1
Narrow fabric mills	682.9	16.7	27.8	48.2	72.7

(continued)

INDUSTRY CONCENTRATION

Concentration of Industry Shipments & Receipts In Major Components Of The Fiber/Textile/Apparel Complex, 1977

Textile Mill Products Industry (continued)	Industry Shipments (Mil. \$)	Share of Total			
		4 largest companies	8 largest companies	20 largest companies	50 largest companies
Women's hosiery, except socks	\$ 871.2	49.7%	61.6%	78.2%	93.8%
Finishing plants, cotton	759.5	28.7	47.3	75.3	93.2
Woven carpets & rugs	138.7	67.9	80.7	94.7	99.5
Yarn mills, exc. wool	3,864.9	19.3	31.4	51.2	74.7
Felt goods, exc. woven felt, hats	197.7	58.3	81.3	98.2	100.0
<u>Apparel & Related Products Industry</u>					
Men's & boys' suits & coats	2,767.5	21.0	32.3	47.5	66.6
Men's & boys' shirts & nightwear	2,934.6	17.3	27.5	47.7	54.9
Women's & misses' blouses & waists	2,333.6	11.7	18.1	30.0	46.8
Women's & children's underwear	1,780.8	21.5	29.2	42.7	64.2
Millinery	75.1	18.7	27.8	48.2	78.8
Children's dresses & blouses	824.7	15.4	23.8	40.6	64.0
Fur goods	383.4	10.9	18.6	31.2	50.9
Fabric dress & work gloves	312.4	44.5	63.1	82.4	95.8
Curtains & draperies	1,013.1	25.7	36.7	49.9	62.6

* Data not reported for cellulosic fiber producers.

Source: U.S. Bureau of the Census,
Concentration Ratios in Manufacturing,
MC77-SR-9.

Textile Mills & Apparel/Related Products Manufacturing Plants (Selected Types) By Employment Size Class, 1981

	Total		% of Total By Employment-Size Class				
	Number	%	Under 50	50-99	100-249	250-499	500 & over
Textile mill products, total							
Mills	6,168	100.0	58.2	12.1	15.3	8.3	6.1
No. of employees	801,397	100.0	7.1	6.8	19.2	22.6	44.1
<u>Selected types:</u>							
Weaving mills, cotton							
Mills	286	100.0	40.6	5.9	10.1	17.5	25.9
No. of employees	109,494	100.0	1.5	1.1	4.6	16.9	75.9
Weaving mills, man-mades							
Mills	460	100.0	39.2	8.5	14.3	16.7	21.3
No. of employees	136,248	100.0	1.8	2.0	8.4	21.4	66.4
Knitting mills							
Mills	2,150	100.0	62.7	13.3	13.7	6.5	3.8
No. of employees	219,507	100.0	10.9	9.5	21.5	22.3	35.8

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